

Pursuant to the Article 7 of the Articles of Association of the Zagreb Stock Exchange Inc. and pursuant to the Croatian Financial Services Supervisory Agency Decision on obligation for submission of the debt financial instrument transactions that are concluded outside the regulated market or MTF, CLASS: 011-02/18-01/04, REGNO: 326-01-770-18-01 dated July 26, 2018, the Management Board of the Zagreb Stock Exchange, Ivana Lučića 2a/22, VAT ID: 84368186611, has adopted on July 30, 2018 the following

## **TERMS AND CONDITIONS FOR THE OTC DEBT FINANCIAL INSTRUMENT REPORTING**

### **1. Subject matter**

By the Croatian Financial Services supervisory Agency on obligation for submission of the debt financial instrument transactions that are concluded outside the regulated market or MTF, CLASSO: 11-02/18-01/04, REGNO: 326-01-770-18-01 dated July 26, 2018 (hereinafter referred to as the Decision) it is decided that transactions with debt financial instruments that are listed in the regulated market which has been concluded outside the regulated market or MTF need to be reported to the exchange. By Decision the bonds and commercial papers are defined as the debt financial instruments.

Article 2 Paragraph 2 of the Decision defines the persons that are obliged to submit the transactions with debt financial instruments that are listed in the regulated market which has been concluded outside the regulated market or MTF (hereinafter referred to as the User/Users).

Article 2 Paragraph 5 of the Decision defines the obligation of the Zagreb Stock Exchange, Inc. (hereinafter referred to as the Exchange) to make public the data on OTC transactions.

Pursuant to the Decision, the Exchange makes available to the Users to submit the transactions with debt financial instruments that are listed in the regulated market which has been concluded outside the regulated market or MTF via ZSE APA service. ZSE APA service is Exchange service that is intended to be used for the data entry with respect to transactions with debt financial instruments that are listed in the regulated market which has been concluded outside the regulated market or MTF, and that service is available via Exchange web page. ZSE APA service may be used by all Users in order to submit (hereinafter "the Service") the transactions with debt financial instruments that are listed in the regulated market which has been concluded outside the regulated market or MTF (hereinafter referred to as "the OTC transactions").

### **2. Application/Personal Data Protection**

In order to use ZSE APA System, in its application for submission of debt financial instrument transactions concluded outside the regulated market or MTF (hereinafter the Application) the User is obliged to specify at least one natural person in charge for OTC transaction data submission.

The User shall warrant as follows:

- (i) that all personal data provided according to the Application are accurate, complete and that they have been collected on valid legal grounds for the processing;
- (ii) that the purpose of processing for which personal data have been collected include the exchange of personal data with the Exchange for the purpose of performance of this Agreement;

- (iii) that the User has duly and transparently informed the persons referred to in the Application whose personal data are provided to the Exchange with the rights of data subjects laid down in applicable regulations.

As regards the Exchange treatment of personal data under this Clause, the Exchange shall act as the processor of personal data controlled by the User and hereby undertakes:

- (i) to use and treat personal data referred to in the Application hereto solely in accordance with the provisions of these Terms and Conditions and for the purpose of performance of the Agreement, and in accordance with applicable regulations;
- (ii) that Exchange officers in charge of personal data treatment have undertaken to observe the confidentiality of personal data;
- (iii) that it has undertaken appropriate technical and organisational measures to ensure the appropriate level of data security;
- (iv) that it will provide support to the User as regards compliance with its obligations as the data controller, as laid down in applicable regulations;
- (v) to make available to the User all the information necessary to prove compliance with the obligations referred to in applicable regulations.

The User workers whose personal data are specified in the Application form have following rights determined by the applicable rules:

- Right of access to personal data and right to rectification and erasure of personal data or right to restriction of processing of personal data of the User workers by sending the request to the following e-mail address: [zastita\\_podataka@zse.hr](mailto:zastita_podataka@zse.hr);
- Right to object to the following contact: [zastita\\_podataka@zse.hr](mailto:zastita_podataka@zse.hr) and right to data portability;
- Right to object to the supervisory authority, Croatian Personal Data Protection Agency.

If right referred to under Sub Item 1 of this Item are requested by a worker itself, the Exchange shall inform on that the User. If the worker of the User has asked the erasure or restriction of the processing of its personal data, the Exchange shall inform the User on that request and the User shall have a right to specify another worker in the Application form. The Exchange shall not be liable towards the User for non-performance of the Service due to request of User worker as stated hereto. If the right referred under this Item are requested on behalf of the worker by the user, the User hereby warrants to the Exchange for the accurateness and correctness of the requested right and newly delivered data in the case of rectification.

The Exchange, as data controller for personal data of the User workers, collects process and archives personal data for the purpose of provision of the Services to the User. In accordance with that personal data of User workers are processed in order that User obtains the username and the password according to Item 5 hereto so those persons are authorized to approach to APA system. Subject personal data are also used for the communication reasons with the contact persons of the User.

Without the personal data processing as defined hereto, the Agreement may not be realized. Personal data shall be processed and archived for the period of 7 (seven) years after the Contract expiry in accordance with the Zagreb Stock Exchange Special List of Archival and Registrable Material. Further information is available at the Zagreb Stock Exchange Privacy Policy.

The User shall notify the Exchange immediately, in writing, of any change of data specified in the Application form, as well as of any request of the natural person whose data are processed and which is subject to Exchange treatment.

### **3. Technical requirements**

In order to access the system, the User shall meet the following technical requirements:

- The computer used for the OTC transaction submission must have an Internet connection
- The computer used for the OTC transaction submission must have a web browser installed. Following web browsers are supported: Internet Explorer, Firefox, Chrome, Safari, Opera.

### **4. Agreement signing**

By signing the Application the User accepts and agrees to these terms and Conditions, whereby it enters into an Agreement signed for indefinite period of time. The User is obliged to inform the Exchange immediately on every change of data provided in the Application.

### **5. User name and Password**

Upon receipt of the Application the User shall receive a user name and password from the Exchange which will be activated within two hours after the Application has been sent to the Exchange, at latest the next business day. The User shall be the only person authorised to use the username and password and shall guard these against unauthorised access and use by third persons. The User shall not disclose its username or password or make them available in any other way to a third person for the purpose of enabling unauthorised access to and/or use of the Service.

The User shall be solely responsible for any actions undertaken by using the assigned username and password. The Exchange waives responsibility and liability on any grounds and for any damage which might be incurred by the User and/or third parties as a result of non-compliance with these provisions and/or improper conduct with regard to username and password and/or misuse and/or unauthorised use of the username and password of the User, or for any damage which is or might be related to such conduct and/or misuse.

The User shall notify the Exchange immediately of a loss, theft and/or any other unauthorised use of the username and password by e-mail to the address: nadzor@zse.hr. The Exchange shall take all actions necessary to prevent unauthorised use or the Service use as soon as practicable and shall issue a new username and password to the User. The Exchange shall in no way be liable to the User for any damage and/or consequences arising out of non-compliance with the obligations set forth in this section.

## **6. Data submission method**

The User shall report data on OTC transactions via the ZSE APA system only, using an online form provided for manual reporting of individual OTC transaction, or else in XML format via the online form.

The XML data file format is laid down by the Exchange, and its specification is available on: <https://services.zse.hr/schema>.

OTC transaction data reported in any other format shall not be accepted and shall be deemed not to have been reported to the Exchange.

The reporting of OTC transactions in financial instruments in any manner other than that specified herein shall not be deemed transaction data reporting in compliance with the Decision.

## **7. Transaction reporting time**

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Any transaction concluded in the course of daily trading sessions shall be reported on each regular business day of the Exchange between 8:30 a.m. and 4:30 p.m.

The transactions concluded after 4:15 p.m. shall be reported from 8:30 a.m. to 9:00 a.m. on the following trading day.

Transactions concluded on the Exchange non-working day according to the calendar of trading days, and which days are working days in the Republic of Croatia, shall be reported on the next working day from 8:30 a.m. to 9:00 a.m.

Any transactions not reported by the User in the stipulated time are not allowed to be reported retrospectively through the ZSE APA system. Such transactions shall be made public via distributive channels of APA system, but they will not be taken in consideration in the Exchange periodical report on trading.

## **8. Alteration or withdrawal of reported OTC transactions**

Any User who notices that certain parameters specified in OTC transaction report is incorrect or that reported OTC transaction is wrong, shall at latest till 4:30 p.m. of that same trading day, via ZSE APA system amend wrongly reported parameters or withdraw the reported transactions through ZSE A system. Exceptionally if the User is not able, due to technical reasons, to do that by it, the Exchange shall base on a written explained request of the User, sent to the e-mail address [nadzor@zse.hr](mailto:nadzor@zse.hr), for amendment or withdrawal of the User report, delete or amend the wrongfully reported trading data.

## **9. ZSE APA system Inaccessibility**

Whenever possible, the Exchange shall try to notify the Users of the ZSE APA inaccessibility.

The Exchange reserves the right to modify, suspend or disable the operation of the ZSE APA system, notifying the users thereof in advance, except in such cases when advance notification is impossible, including without limitations, serve downtime, data line failure etc.

By way of exception, in case of service centre inaccessibility or downtime, Users may submit OTC transaction data to the Exchange by e-mail to the address: [nadzor@zse.hr](mailto:nadzor@zse.hr).

#### **10. OTC turnover calculation**

When calculating the OTC turnover in Kuna for publication on its website and in periodical trading report, the Exchange shall apply the middle exchange rate of the Croatian National Bank applicable on the transaction report day.

#### **11. Responsibility for the ZSE APA system use/for data accuracy**

Each User is responsible for the accuracy, truthfulness and completeness of data disclosed through ZSE APA system.

In the event of interruptions in the communication system used for data modification between the User and the Exchange or of the occurrence of other circumstances constituting *force majeure* and preventing transaction data entry, or where the User transaction report is contrary to applicable regulations, to Decision, these Terms and Conditions and/or technical instruction of the Exchange available on the Exchange website or where the report is made by an unauthorised person, the Exchange shall not be liable to the User or to a third party for any damage and/or costs, irrespective of whether it is material or non-material, direct or indirect damage, or the actual loss, loss of profit or non-pecuniary damage, incurred on any grounds in relation to the interruption or erroneous entry.

#### **12. Service Fee**

The fees calculated and charged by the Exchange in relation to the Service in accordance with these Terms and Conditions shall be defined in the applicable Price List of the Exchange according to selected payment model.

The Exchange is authorised to amend the Price List containing the Service fees and undertakes to make it public and available to the User on the Exchange website [www.zse.hr](http://www.zse.hr) or in other appropriate manner.

The monthly period for which the User pays monthly remuneration starts from the day of user name and password activation according to the Item 5 hereto. In the case that the User has selected the payment-per-transaction-model, the remuneration is paid once per month for the submitted OTC transactions in the previous month.

The User shall pay the amount of fees payable for the Service use to the Exchange within 10 (ten) day from the date of invoice issuing.

#### **13. Agreement Cancellation**

The Agreement referred to under Item 4 hereto may be cancelled with the written notification of the parties and with the cancellation period of one month, except in the case that relevant regulation in

the Republic of Croatia is changed, in which case the Exchange is authorized to cancel the Agreement without cancellation period.

The Agreement referred to under Item 4 hereto shall cease to be valid starting from the provision of the CTP service that has obtained the approval to perform services in the EU, at which the data on transactions with the debt financial instruments that are listed in the regulated market which has been concluded outside the regulated market in the territory of the Republic of Croatia shall be available, without any further need to provide further information of one contract party to another.

As of the date of termination, the Exchange shall disable User access to the ZSE APA System.

#### **14. Final Provisions**

These Terms and Conditions shall fully replace and supersede the Terms and Conditions of Use of ZSE OTC Service dated June 19, 2017, and shall enter into force on the day of its adoption.

The Users that on the day of entering into force of these terms and Conditions have already signed contracts on usage of the ZSE OTC Service, reserve the right to use the ZSE APA System under these Terms and Conditions and in accordance with the information stated in their previous applications, until such time that they submit a new application.

Current Users are entitled to change the selected payment model, by submitting the new application.

The new application shall be considered as the mutually agreed termination of existing agreement, regardless of the cancellation notice period.

If the current Users have in accordance with the previous application selected fixed payment model they will be able to use the ZSE APA System according to that payment model until the expiration of time period for which the payment was done. If the User does not select the payment model the Exchange shall calculate the remuneration according to the payment-per-month- model.

The Exchange may distribute information's with respect to the ZSE APA System through the email, phone or in written form.