

DECLARATION OF COOPERATION

Republic of Serbia Securities Commission,

Securities and Exchange Commission of the Republic of Montenegro,

Republic of Srpska Securities Commission,

Securities Commission of the Federation of Bosnia and Herzegovina,

Securities Commission of Brčko District, Bosnia and Herzegovina,

Securities and Exchange Commission of the Republic of Macedonia,

Croatian Financial Services Supervisory Agency,

Securities Market Agency of the Republic of Slovenia,

Share a common goal to establish and maintain fair, effective and sound capital markets;

Intend to provide mutual assistance to promote the development of their respective securities markets and to ensure the integrity, fairness and orderly functioning of markets as well as to enhance investor protection;

Recognize the fact that some of the signatories can be helpful in advising the others on faster international integration and harmonization of capital markets;

intend to form working groups dealing with relevant issues related to capital market such as IT, legal issues, corporate governance and other issues. Each group will determine its own timeline and working methods and coordinate its work with other working groups through activities of for this purpose established Standing Conference of National Regulatory Authorities from the Region.

Intend to cooperate with educational and other institutions and associations if such needs arise.

Do hereby declare:

1. To develop grounds for a common methodology and practice of investment services rules and strengthen supervisory coordination:
 - ✓ by ensuring the fairness of the market, enhance integrity and transparency of the market and by strengthening investor protection,
 - ✓ by seeking the best practices of corporate governance of companies offering investment services,
 - ✓ by improving the investment atmosphere and approaching small- and medium-sized enterprises (SMEs) to the capital market.

2. To develop and coordinate regulations and standards of sanctioning for market manipulation and insider trading:
 - ✓ by ensuring that market manipulation and insider trading are defined and enforced as prohibited practices on the financial market.

3. To analyze the possibility of common procedures of different financial products:
 - ✓ by achieving competition among providers of investment services by ensuring adequate investor protection at the same time,
 - ✓ by implementing best practices from the EU and other developed financial markets into daily practice of signatories,
 - ✓ by implementing the best IT practices.

4. To try to ensure common education and licensing of market participants to facilitate the operations on the markets in the region:
 - ✓ by educating regulators and capital market participants to keep up with changes in financial market,
 - ✓ by establishing a common methodology of collecting evidence and treatment of insider trading and market manipulation practices on the markets.

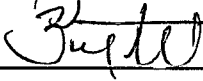
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Each party bears the responsibility for the implementation of relevant legislation in its jurisdiction.

This Declaration of cooperation shall come into force upon its signature by all eight parties and shall be valid for 5 years with a possibility of extension.

Belgrade, 30th November 2011

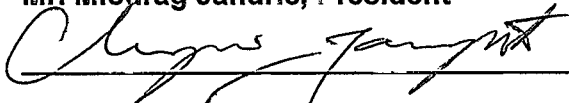
Republic of Serbia Securities Commission
Mr. Zoran Ćirović, PhD, President



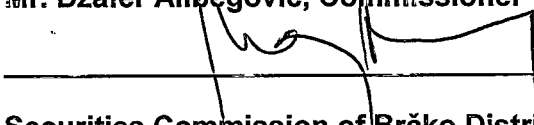
Securities and Exchange Commission of Montenegro
Mr. Zoran Đikanović, PhD, President



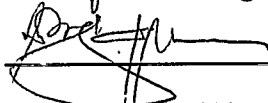
Republic of Srpska Securities Commission
Mr. Miodrag Jandrić, President



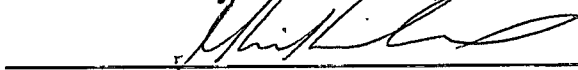
The Securities Commission of the Federation of Bosnia and Herzegovina,
Mr. Džafer Alibegović, Commissioner



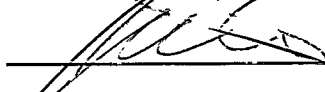
Securities Commission of Brčko District, Bosnia and Herzegovina,
Mr. Mirsad Bešliagić, President



Securities and Exchange Commission of the Republic of Macedonia,
Ms. Marina Nakjeva Kavrakova, President



Croatian Financial Services Supervisory Agency,
Mr. Ivo Šuleta, Commissioner



Securities Market Agency of the Republic of Slovenia,
Mr. Damjan Žugej, PhD, Director

