

# Regulations on obtaining the Status of the Advisor on the PROGRESS Segment

19 June 2018



**LJUBLJANSKA BORZA**

**LJUBLJANA** *Stock Exchange*

Regulations on obtaining the Status of the Advisor on the PROGRESS Segment from 19 June 2018 were published on SI ENTER and PROGRESS websites on 19 June 2018 and enter into force and shall apply from 20 June 2018.



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**Disclaimer:** All effort has been made to ensure the accuracy of this translation, which is based on the Slovenian original. Translations of this kind may nevertheless be subject to a certain degree of linguistic discord; in case of doubt or misunderstanding, the Slovenian text, being the official version, shall thus prevail.



On the basis of Article 279 of the Securities Market Act (Official Gazette of the Republic of Slovenia, No. 108/10 - official consolidated text of UPB3, with amendments and supplements, hereinafter: "ZTFI"), the provisions of the Ljubljana Stock Exchange Inc. Articles of Association and Article 48 of the Ljubljana Stock Exchange Rules for the SI ENTER market of 19 June 2018 (hereinafter: "SI ENTER Rules") the Ljubljana Stock Exchange Management Board (hereinafter: "the Exchange") adopted at its meeting on 19 June 2018 the following

## **REGULATIONS ON OBTAINING THE STATUS OF THE ADVISOR ON THE PROGRESS SEGMENT**

### **1 GENERAL PROVISIONS**

#### *Article 1*

- (1) Pursuant to the fourth paragraph of Article 48 of the SI ENTER Rules, the Regulations on obtaining the Status of the Advisor on the PROGRESS Segment (hereinafter: "the Regulations") governs:
  1. requirements to be fulfilled by a legal entity that submits an Application for obtaining the Status of the Advisor on the PROGRESS Segment;
  2. the procedure for obtaining and terminating the Status of the Advisor, registration and deletion of Advisors to / from the Register of Advisors;
  3. the rights and obligations of the Advisor;
  4. the rules of cooperation between the Advisor and the Exchange;
  5. other procedural matters relevant to the Application for obtaining the Status.
- (2) These Regulations apply in the context of all other regulations and Exchange Rules adopted in accordance with its competences.
- (3) These Regulations are binding to all Advisors registered in the Register of Advisors and for all issuers of securities listed on the PROGRESS Segment.

### **2 DEFINITIONS**

#### *Article 2*

- (1) The terms used in these regulations have the same meaning as the terms defined in the SI ENTER Rules, unless specified otherwise.

### **3 TERMS AND CONDITIONS FOR OBTAINING THE STATUS OF THE ADVISOR ON THE PROGRESS SEGMENT**

#### *Article 3*

- (1) The applicant company who filed the Application for obtaining the Status of the Advisor on the PROGRESS Segment (hereinafter: "the Application") must, in order to obtain the Status, meet the conditions as specified in these Regulations.
- (2) The applicant company must be meet the following criteria:



1. has to be registered as a corporate entity, in accordance with the provisions of the act governing the establishment and operation of companies;
  2. has to be registered to perform at least one of the following activities (for an uninterrupted period of at least two (2) years from the date of filing of the Application, or in a shorter period, insofar as the Exchange assesses that the employees in the applicant company have sufficient knowledge and experience, and the ability to provide competent and quality services as the Advisor):
    - a) business and corporate consulting;
    - b) performing one or more types of investment services as specified by the ZTFI;
    - c) consultancy in the field of capital transactions and similar activities;
    - d) providing financial and / or accounting services;
    - e) preparing of financial analyses and business reports;
    - f) tax and other business consulting;
    - g) appraisal of the value of resources and assets of companies;
    - h) investment planning;
  3. has in its personnel structure, based on an employment contract or another appropriate legally binding relationship, at least one person with at least five (5) years of work experience in a suitable position in an investment firm or other suitable position dealing with business operations in the financial market;
  4. has established mechanisms, measures and procedures for identifying and preventing conflicts of interest that may arise during provision of services to the issuer in accordance with the second paragraph of Article 13 of these Rules;
  5. has appointed a person who is in charge of communicating with the Exchange.
- (3) In the process of assessing the meeting of criteria for obtaining the Status of the Advisor on the PROGRESS Segment, the Exchange takes into account the following circumstances:
1. financial stability of the company that filed the Application;
  2. the reputation of a person referred to in point 3 of the second paragraph of this Article (hereinafter referred to as the "expert of the applicant company" or "expert of the Advisor") and the reputation of applicant company statutory or authorised representatives (hereinafter: "the responsible persons of the applicant company" or "the responsible persons of the Advisor");
  3. other circumstances considered by the Exchange to be important for the execution of obligations of the Advisor on the PROGRESS Segment.
- (4) A legal person is deemed not eligible for the execution of the activities of the Advisor on the PROGRESS Segment if:
1. the applicant company or its persons as specified in item 2 of the previous paragraph, due to failure to comply with relevant regulations, has had its authorization for the provision of services in the field of finance or financial markets withdrawn;
  2. the applicant company or its persons as specified in item 2 of the previous paragraph were convicted of any business related criminal offense or a criminal offense of counterfeiting or other criminal offense for which criminal proceedings were initiated *ex officio*;
  3. the applicant company or its persons as specified in item 2 of the previous paragraph, with their past professional work, did not demonstrate sufficient integrity and competence;



4. there are, after the discretionary assessment of the Exchange, other reasons for suspicion of the bad reputation of this applicant company or its persons as specified in item 2 of the previous paragraph.
- (5) The Exchange reserves the right to authorise the Status of Advisor even if the applicant company does not fulfil all of the requirements of these Regulations insofar as the applicant company otherwise proves the competence and ability to perform the activities of the Advisor.
- (6) The Status of the Advisor in relation to the listing of securities on the PROGRESS Segment cannot be obtained by the issuer of these securities, the owner of the issuer or any other with the issuer associated company whose Status is determined by the law governing the establishment and operation of the company.

#### **4 CRITERIA OF THE EXCHANGE WHEN CONSIDERING AN APPLICATION FOR OBTAINING THE STATUS OF THE ADVISOR ON THE PROGRESS SEGMENT**

##### *Article 4*

- (1) The conditions for obtaining the Status of the Advisor on the PROGRESS Segment, as defined in Article 3 of these Regulations, must be met by the applicant company prior to having been granted the Status of the Advisor by the Exchange.
- (2) When considering the Application or when deciding on the authorisation of the Status of the Advisor, the Exchange gives special attention to preserving the reputation and integrity of the SI ENTER market.
- (3) The Exchange reserves the right to reject the Application, or the right to request additional requirements to be met for obtaining the Status of the Advisor, regardless of the fact that the applicant company fulfils the conditions for obtaining the Status of the Advisor specified in these Regulations.

#### **5 PROCEDURE FOR OBTAINING THE STATUS OF THE ADVISOR ON THE PROGRESS SEGMENT**

##### *Article 5*

- (1) The applicant company shall file the Application to the Exchange on Form 02/PROGRESS, which is attached to these Regulations.
- (2) The Application must contain at least the following:
  1. information on the past activities of the applicant company and expert of the applicant company relating to securities trading, investment advice, services related to the performance of a purchase or sale of securities with or without a repurchase obligation, other relevant services or activities;
  2. information on planned activities for acquiring new issuers;
  3. information on the organizational structure and governing bodies of the applicant company;



4. information on the ownership structure of the applicant company;
  5. other information that the Exchange requires from the applicant company.
- (3) In addition to the Application, at least the following documentation is required to be attached:
1. valid Articles of Association of the applicant company or a Memorandum;
  2. a certified extract from the court register, not older than thirty (30) days;
  3. the applicant company's financial statements for the previous financial year;
  4. a written statement by the applicant company that the responsible persons of the applicant company and the expert of the applicant company have not been convicted of criminal offenses defined in point 2 of the fourth paragraph of Article 3 of these Regulations;
  5. a written statement by the applicant company which confirms the regular payment of overdue financial liabilities and that, in the last twelve (12) months, the applicant company has not filed a proposal for compulsory composition proceedings;
  6. proof of payment of the fee for deciding on obtaining the Status of the Advisor on the PROGRESS Segment.
- (4) In addition to the Application, the applicant company is required to enclose a statement on the Form 03/PROGRESS, which is the attachment to these Regulations, stating:
1. to fully comply with all rules and regulations governing the PROGRESS Segment, including the Rules, the SI ENTER Rules and all subsequent amendments and supplements;
  2. to immediately inform the Exchange of all significant changes that are in any way connected with the fulfilment of the conditions for obtaining the Status of an Advisor on the PROGRESS Segment and with the information specified in the Application;
  3. to immediately inform the Exchange of all important events and circumstances that could have a significant impact on the consistent performance of obligations of an Advisor;
  4. to provide the Exchange with all necessary reports related to the performance of the Advisor's obligations.
- (5) In order to take into account and correctly evaluate the Application, the Exchange may require additional information, explanations and documentation from the applicant company.

#### *Article 6*

- (1) The applicant company is required to pay a fee for deciding on obtaining the Status of the Advisor in accordance with the SI ENTER Services Fee Schedule.
- (2) In case of rejection of the Application, the fee referred to in the first paragraph of this Article shall not be reimbursed to the applicant company.
- (3) In addition to the fee for deciding on obtaining the Status of an Advisor, the applicant company pays a fee for obtaining the Status of the Advisor on the PROGRESS Segment, and the annual Status maintenance fee for the Advisor on the PROGRESS Segment, all according to the SI ENTER Services Fee Schedule. In case of termination of the Advisor's Status, the Exchange does not reimburse the paid fees.

#### *Article 7*

- (1) The decision to grant the Status of the Advisor shall be adopted within thirty (30) days from the date of receipt of the Application together with all the required documents and information.



- (2) Insofar as the Application or the attached documents are not complete or if additional information or statements are required, the Exchange will invite the applicant company to complete the documentation of the Application. In this case, the deadline for the decision to grant the Status of the Advisor or to reject the Status shall begin from the day the Exchange receives the completed documentation.
- (3) The Exchange shall Status notify the applicant company of its decision on granting or refusal of the applicant company's Status of the Advisor in writing, within the period stated in paragraph 1 of this Article or in paragraph 2 of this Article, respectively.
- (4) In case the Exchange grants the Status of the Advisor, the applicant company is obliged to sign the Agreement on provision of services of an Advisor on the PROGRESS Segment (hereinafter: "the Service Agreement"), the content of which is determined by the Exchange, prior to being entered as the Advisor in the Register of Advisors.
- (5) After the signing of the Service Agreement between the Advisor and the Exchange, the Exchange will immediately enter the applicant company in the Register of Advisors.
- (6) The Status of the Advisor shall enter into force on the day of signing the Service Agreement between the applicant company and the Exchange.
- (7) In the event of a rejection of the Application, the applicant company may file a new Application after six (6) months from the date of the decision on the rejection of the Application.
- (8) Unless otherwise specified in these Regulations, the provisions of Chapter 9 of the SI ENTER Rules shall apply *mutatis mutandis* to the procedure.

#### Article 8

- (1) The Advisor, the responsible persons of the Advisor and the expert of the Advisor must fulfil the conditions as specified in these Regulations, the SI ENTER Rules, the Rules, and the conditions that may have been additionally imposed on them by the Exchange upon the Application, throughout the duration of execution of the obligations of the Advisor.
- (2) If the Advisor and / or the responsible persons of the Advisor and / or expert of the Advisor no longer comply with the conditions prescribed in these Regulations and the other by the Exchange set conditions as specified in the Application, they shall be obliged to notify the Exchange immediately.
- (3) The Exchange may whenever request from the Advisor and / or the responsible persons of the Advisor and / or expert of the Advisor the necessary information and / or documentation to verify the fulfilment of conditions specified in these Regulations, and whether they operate in accordance with the first paragraph of this Article.
- (4) In case the Advisor and / or the responsible persons of the Advisor and / or expert of the Advisor do not meet the conditions specified in these Regulations or do not act in accordance with the first



paragraph of this Article, the Exchange will immediately terminate the Status of an Advisor and delete the company from the Register of Advisors.

## 6 RIGHTS AND OBLIGATIONS OF THE ADVISOR

### *Article 9*

- (1) The Advisor will be obligated to:
  1. before applying for listing of securities on the PROGRESS Segment, check whether the potential issuer of securities meets all the conditions for listing on the PROGRESS Segment as specified by the SI ENTER Rules and other conditions and rules specified in the Rules;
  2. after the listing of securities of the issuer on the PROGRESS Segment, monitor for at least two (2) years from the date of listing if the issuer fulfils all the obligations and conditions specified in the SI ENTER Rules and the Rules;
  3. in the period specified in the second paragraph of this Article, once a year, by 31 December, submit to the Exchange a report on fulfilment of conditions and rules as specified in the SI ENTER Rules, the Rules and other acts of the Exchange on the form determined by the Exchange.
- (2) The Advisor is obligated to prepare the issuer for functioning on the PROGRESS Segment. In order to achieve this, the Advisor must have an overview of the issuer's business, assets and financial situation, as disclosed in the current and past financial statements by the issuer.
- (3) The Advisor is obligated to inform the issuer of the need to establish and implement appropriate mechanisms, measures and procedures that enable the issuer to function properly on the PROGRESS Segment.
- (4) The Advisor is obligated to advise the issuer in the selection of appropriate mechanisms, measures and procedures for the proper functioning of the issuer on the PROGRESS Segment.
- (5) In the provision of advisory services for the needs of the PROGRESS Segment, the Advisor must cooperate with the Exchange and provide all the documentation required by the Exchange for the purpose of verifying fulfilment of the obligations of the Advisor and / or the issuer.
- (6) The Advisor shall be obliged to comply with all other obligations provided for in these Regulations, the SI ENTER Rules, the Rules and other acts of the Exchange, and all obligations arising from the Service Agreement concluded between the Advisor and the Exchange, in a timely manner.

### *Article 10*

- (1) The Advisor will be obligated to:
  1. check whether the Listing document as referred to in article 53 of SI ENTER Rules (hereinafter: Listing document) provides sufficient information to investors to create an informed assessment of the financial position and future prospects of the issuer and the rights related to the issuer's security in accordance with Article 78 of the Delegated Regulation (EU) No. 2017/565;
  2. check whether the potential issuer in the Listing Document has stated that in its assessment the working capital satisfies its current needs or, if it is insufficient, how it intends to provide



- additional necessary working capital in accordance with Article 78 of the Delegated Regulation (EU) No. 2017/565;
3. verify whether the Listing Document complies with the provisions of these Regulations, the provisions of the SI ENTER Rules, and the provisions of the Regulations on the Form and Content of the Listing Document on the PROGRESS Segment and satisfies the prescribed requirements in these acts and whether the information provided in the Document is given in an understandable and consistent way;
  4. submit a statement to the Exchange confirming that the Listing Document has been reviewed by the Advisor, that its content complies with the requirements of these Regulations, that the information provided in the Listing Document is, to the best of his knowledge and considering the information obtained from the issuer, accurate and credible, that the Listing Document contains a reliable description of the risk factors associated with trading in the issuer's securities and that the issuer fulfils all trading conditions on the PROGRESS Segment;
  5. to continuously advise the issuer in respect to securities listed on the PROGRESS Segment and in respect of the fulfilment of the obligation to disclose information in accordance with the provisions of the ZTFI, with regard to Market Abuse Regulation, with regard to other regulations, with regard to the provisions of these Regulations, and to supervise whether the issuer fulfils the obligation to inform the public, for a duration of two (2) years of the listing of its securities on the PROGRESS Segment;
  6. in the period specified in point 5 of this paragraph, inform the Exchange in the event that the issuer in any way ceases to meet the conditions for listing on the PROGRESS Segment or in case the issuer has violated the SI ENTER Rules, Rules, or any other rules or acts of the Exchange;
  7. provide the Exchange with all necessary information with which the Exchange can determine the proper conduct of the Advisor and / or the issuer and if they fulfil all the conditions as specified in the SI ENTER Rules, the Service Agreement and the Agreement on providing Advisor Services the Advisor concluded with the Issuer.
- (2) Upon the expiration of a period of two (2) years from the date of listing on the PROGRESS Segment, the obligations of the Advisor specified in this Article shall cease. The Advisor will inform the Exchange in writing of the termination of its obligations to this issuer.
- (3) The Advisor chosen by the issuer as its Advisor and the Authorised Advisor, which is authorised by the Exchange in accordance with these Regulations, shall be obliged to act independently and professionally in carrying out its tasks. The Advisor and the Authorised Advisor are responsible for the proper execution of all their obligations towards the issuer and the Exchange.

#### *Article 11*

- (1) An Advisor shall conclude an Agreement on providing Advisor Services with a potential issuer of securities. Within eight (8) days from the date of conclusion of the Agreement on providing Advisor Services, the Advisor is obligated to deliver this contract to the Exchange, and in the appropriate manner he shall exclude or cover the agreed commercial conditions with the Issuer.
- (2) The issuer who files more than one Application for admission to trading on the PROGRESS Segment for various securities may have several Advisors. In case of placing several different securities on the PROGRESS Segment, the obligations of at least one Advisor will last until the expiry of a period of two (2) years from the date of listing of the last security.



- (3) The Advisor shall immediately inform the Exchange of any modification of an existing Agreement on providing Advisor Services with the Issuer of the Securities regarding the expiration or termination of this Agreement on providing Advisor Services, as well as the conclusion of a new Agreement on providing Advisor Services. In the event of a change in the Agreement on providing Advisor Services or the conclusion of a new Agreement on providing Advisor Services, the Advisor is obligated to immediately deliver to the Exchange a revised or new Agreement on providing Advisor Services (except in the case of changes to commercial conditions only - in this case, the Exchange must only be informed that the change occurred under commercial conditions). The Exchange may require the Issuer or the Advisor to provide additional information regarding the concluded agreements on providing advisor services.
- (4) In case of a change of the Advisor, the newly appointed Advisor shall immediately provide the Exchange with a statement from which it is evident that he is acquainted with the issuer's business, assets and financial position that arises from the current and past financial statements, and that he is acquainted with the fulfilment of the obligation to disclose information to the public by the issuer.
- (5) In the event of termination of the Agreement on providing Advisor Services, the issuer shall be obligated, within thirty (30) days from the date of termination of this contract, to submit to the Exchange a new Agreement on providing Advisor Services concluded with the new selected Advisor. If the issuer fails to submit a new Agreement on providing Advisor Services with the new Advisor, the Exchange will appoint an Authorised Advisor from the Register of Advisors until the expiration of a period of two (2) years from the date of listing of the issuer's securities on the PROGRESS Segment. An Authorised Advisor shall have the same rights and obligations to the Issuer as the chosen Advisor.
- (6) Notwithstanding the provisions of the fifth paragraph of this article, if the issuer ceases to have an Advisor, for any other reason, with the exception of termination of the Agreement on providing Advisor Services, the issuer must deliver to the Exchange a new Agreement on providing Advisor Services thirty (30) days from the date when the issuer ceased to have the Advisor with a new Advisor. If the issuer fails to submit a new Agreement on providing Advisor Services with the new Advisor within the determined deadline, the Exchange will appoint an Authorised Advisor from the Register of Advisors until the expiration of a period of two (2) years from the date of the listing on the PROGRESS Segment.
- (7) The Authorised Advisor shall have the same rights and obligations to the issuer and the Exchange as the selected Advisor. Unless otherwise specified, all the rules, duties and rights of the Advisor, as set out in these Regulations, shall also apply to the Authorised Advisor. The Issuer is obliged to pay all costs related to the appointment of an Authorised Advisor and to pay to the Authorised Advisor all fees for the performed consultancy work, in accordance with the Service Fee Schedule of the Authorised Advisor.
- (8) Every Advisor registered in the Register of Advisors is obligated, in accordance with these Regulations, to accept the appointment as the Authorised Advisor by the Exchange. The Advisor may refuse the appointment of an Authorised Advisor solely in the event of a conflict of interest or any other justified reason acceptable to the Exchange. The refusal of the appointment must be notified immediately to the Exchange.



- (9) In the event that the issuer does not agree with the selection of an Authorised Advisor appointed by the Exchange, he may replace the Authorised Advisor, but he shall be obliged to pay all fees for the performed consultancy work, which occurred during the appointment period, in accordance with Service Fee Schedule of the Authorised Advisor.
- (10) In case of termination of the Agreement on providing Advisor Services in accordance with these Regulations, the Issuer and the Advisor shall endeavour to, in the event of the replacement of the Advisor within a period of two (2) years from the date of listing on the PROGRESS Segment, ensure that the Issuer shall not be left without an Advisor or to ensure an adequate continuity of the work of the Advisor in the event of any substitution.

#### *Article 12*

- (1) In order to verify compliance with the obligations of the Advisor in accordance with the SI ENTER Rules and these Regulations, the Advisor will, upon request of the Exchange, submit all the necessary documents and ensure that all necessary documentation is prepared in accordance with his best knowledge, fair and honest and will provide a written or oral explanation.
- (2) The Advisor shall be obliged to keep the documentation on all issuers relating to the provision of the advisor services for at least five (5) years from the date of termination of the advising services.
- (3) Every year, by 31 January, the Advisor must provide the Exchange with a report on the services provided to all issuers for the previous calendar year. The Advisor is also obliged to submit a statement to the Exchange by 31 January of each year at the latest to confirm the fulfilment of the conditions provided for in these Regulations and to fulfil all the obligations of the Rules, SI ENTER Rules, from these Regulations and other acts of the Exchange.

#### *Article 13*

- (1) The Advisor and / or the responsible persons of the Advisor and / or expert of the Advisor must consider possible conflicts of interest with potential issuers or with an issuer whose securities are listed on the PROGRESS Segment throughout the entire period of providing advising services for this issuer.
- (2) To this end, the Advisor is obliged to establish mechanisms, measures and procedures for identifying and preventing conflicts of interest that may arise as a result of providing advising services to the issuer. They must include criteria for the detection, prevention and management of conflicts of interest. The Advisor is obliged to inform the Issuer of the existence of conflicts of interest in the provision of Advising Services in order to prevent their negative consequences.

## **7 TERMINATION OF THE ADVISORS STATUS**

#### *Article 14*

- (1) The Status of the Advisor shall be terminated automatically:
  1. if a proposal for a bankruptcy procedure, another insolvency procedure, a liquidation or any other similar procedure against the Advisor has been submitted;
  2. with the ceasing of the status of legal entity of the Advisor.



- (2) The responsible persons of the Advisor shall be obliged to inform the Exchange of the circumstances arising from the first paragraph of this Article without delay, but no later than on the day of occurrence of the event. In this case, the Exchange will, after receiving the information, revoke the Status from the Advisor, delete it from the Register of Advisors, direct all the issuers for which the Advisor provided the advising services (if also as an Authorised Advisor), to appoint, within thirty (30) days a new Advisor. If the issuer does not appoint a new Advisor within a specified period of thirty (30) days, the Exchange will appoint an Authorised Advisor in accordance with these Regulations.
- (3) The Status of the Advisor may be terminated by the Exchange's decision in the following cases:
  1. upon request of the Advisor, in accordance with Article 15 of these Regulations;
  2. for the reasons stated in Article 16 of these Regulations.In these cases, the provisions from the second paragraph of this article shall come into force.

#### *Article 15*

- (1) The Advisor shall submit an Application for termination of the Status of the Advisor on the PROGRESS Segment on Form 02/PROGRESS, which is in the attachment to these Regulations.
- (2) The Exchange shall be obliged to adopt a decision on the Application for termination of the Status of the Advisor on the PROGRESS Segment within thirty (30) days from the date of receipt of the Application.
- (3) The Status of the Advisor shall be terminated on the next business day from the decision of the Exchange to terminate the Status of the Advisor. On the day when the Status of the Advisor is terminated, the Exchange will delete the Advisor from the Register of Advisors.
- (4) The Advisor cannot submit an Application for the termination of the Status of the Advisor on the PROGRESS Segment for a period of two (2) years from the date of the listing of the securities on the PROGRESS Segment, in case the Advisor provides advising services to this issuer.

#### *Article 16*

- (1) The Exchange may, depending on the assessment of the severity and the extent of the violation or breach of the provisions by the Advisor prescribed by these Regulations and other Exchange acts:
  1. issue a non-public warning to the Advisor;
  2. issue a public warning to the Advisor;
  3. terminate the Status of the Advisor and delete it from the Register of Advisors.
- (2) The Exchange may, if it considers that there are reasonable grounds for doing so, suspend the possibility of selecting a particular Advisor. In this case, the Advisor maintains the function of the Advisor for all issuers with whom he has a valid Agreement on providing Advisor Services, but cannot be appointed as an Advisor by new issuers or perform the function of the Advisor for the needs of new securities listing on the PROGRESS Segment by existing issuers. To existing issuers, the Advisor is obliged to fulfil all the obligations set forth in these Regulations, the Service Agreement and Agreement on providing Advisor Services, regardless of the suspension.
- (3) The Exchange may revoke the Status of the Advisor for the following reasons:



1. insofar as the Advisor does not fulfil the prescribed conditions for obtaining the Status of the Advisor as defined by these Regulations and other acts of the Exchange;
  2. in the event that there is not a single security, regarding which the Advisor has provided advising services, that has been listed on the PROGRESS Segment in the last two (2) years, or if the Advisor has not provided any advising services for any issuer over the past two (2) years;
  3. if the Advisor, the responsible person of the Advisor or the Expert of the Advisor, has been found guilty of business related criminal offense or the offenses of counterfeiting as defined in the Criminal Code by a final judgement;
  4. insofar as the Advisor violates the Rules or Regulations governing the operation of the SI ENTER market or does not comply with its obligations;
  5. insofar as the Advisor acts in a manner that may harm the reputation of the Exchange;
  6. if, for any reason, the Exchange considers that the Advisor is no longer able to consistently provide advising services;
  7. for any other, in the opinion of the Exchange, justified reason.
- (4) In the event of termination of the Status of the Advisor on the PROGRESS Segment by the Exchange for the reasons specified in the third paragraph of this Article, the provisions of the third paragraph of Article 15 of these Regulations shall apply *mutatis mutandis*.

#### *Article 17*

- (1) When adopting a decision on the termination of the Status of Advisor and deletion from the Register of Advisors, the Exchange shall take into account all the facts and circumstances, in particular the reasons, the weight and the effect on the functioning of the Exchange and the functioning of the PROGRESS Segment.
- (2) The Exchange may give a temporary period during which the Advisor is ordered to eliminate the violations or take the necessary measures to remedy such violations in the future.
- (3) The decision to terminate the Status of the Advisor and the decision to delete the advisor from the Register of Advisors must include explanation.
- (4) The Exchange will announce on the PROGRESS website the termination of the Status of the Advisor and delete the Advisor from the Register of Advisors.
- (5) Before adopting the decision to terminate the Status of the Advisor and delete it from the Register of Advisors, the Exchange will allow the Advisor to provide an explanation of the facts and circumstances that constitute the basis for the termination of the Status of the Advisor and the deletion from the Register of Advisors, unless the facts may be determined from the information already available to the Exchange or where the response of the Advisor is not possible or in case of other justified reasons.
- (6) In the event that the decision on the termination of the Status of the Advisor and the deletion from the Register of Advisors for violations of provisions referred to in points 4, 5 and 6 of the third paragraph of Article 16 of these Regulations, the Advisor cannot resubmit the Application for obtaining the Status of the Advisor on the PROGRESS Segment before the expiration of one (1) year from the day of the adoption of the Exchange's decision to terminate the Status of the Advisor and delete it from the Register of Advisors.



## 8 Register of Advisors

### *Article 18*

- (1) The Stock Exchange keeps and regularly updates the Register of Advisors. Register of Advisors is kept electronically.
- (2) Register of Advisors shall be published on the PROGRESS website, with the addition that only data from the Register of Advisors referred to under point 1 of the third paragraph of this Article shall be made public.
- (3) The following information shall be entered in the Register of Advisors:
  1. name, registered office, address and contact details;
  2. the ID number of the Advisor;
  3. the date and reference number of the decision on granting the Status of the Advisor;
  4. the date of entry of the Advisor in the Register of Advisors;
  5. the date and reference number of the decision on termination of the Status of the Advisor;
  6. date of deletion of the Advisor from the Register of Advisors;
  7. comments on publicly issued warnings of violation of rules and temporary suspensions of being eligible to be selected as an Advisor.
- (4) The entry into the Register of Advisors or the deletion from the Register of Advisors shall be made by the Exchange in accordance with the provisions of these Regulations.
- (5) The Advisors shall be obligated, without delay, to inform the Exchange of any changes in the information entered in the Register of Advisors. The Exchange is responsible for the change of the information for which it was notified.
- (6) Changes to the data may be carried out ex officio by the Exchange or at the request of a person having a legitimate interest.

## 9 TRANSITIONAL AND FINAL PROVISIONS

### *Article 19*

- (1) These Regulations and its amendments and supplements are adopted by the Management Board of the Exchange.
- (2) These Regulations and its amendments and supplements shall be published on the SI ENTER and PROGRESS websites, and shall enter into force and use on the seventh (7) day following their publication unless the Exchange determines, for valid reasons, a shorter term for the entry into force and use or if specified otherwise in the third paragraph of this Article.
- (3) These Regulations of 19 June 2018 shall be published on the SI ENTER and PROGRESS websites and shall enter into force and use one day after publication on the SI ENTER and PROGRESS websites, that is on 20 June 2018.



Ljubljana, 19 June 2018

Ljubljana Stock Exchange Inc.

Nina Vičar, MSc  
Member of the Management Board

Aleš Ipavec, MSc  
President of the Management Board

**Forms:**

- Application for obtaining the Status of the Advisor on the PROGRESS Segment (Form 01/PROGRESS)
- Application for termination of the Status of the Advisor on the PROGRESS Segment (Form 02/PROGRESS)
- Statement of the Advisor on the PROGRESS Segment (Form 03/PROGRESS)



## Application for obtaining the Status of the Advisor on the PROGRESS Segment<sup>1</sup> (Form 01/PROGRESS)

In accordance with the Regulations on obtaining the Status of the Advisor on the PROGRESS Segment the Company hereby submits the Application for obtaining the Status of Advisor:

Company: \_\_\_\_\_

Company Address: \_\_\_\_\_

### Information on the applicant company

Company Name \_\_\_\_\_

Registered Office \_\_\_\_\_

Correspondence Address \_\_\_\_\_

VAT Number

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Phone / Fax \_\_\_\_\_

E-mail Address \_\_\_\_\_

Information on activities of the applicant company and the person stated in Article 3 Paragraph 2 Point 3 of the Regulations on obtaining the Status of the Advisor on the PROGRESS Segment regarding trading in financial instruments, investment advice, services related to public offering and sale of financial instruments with or without obligation to buy, and other relevant services and activities

Information on planned activities for attracting actions to attract new issuers

<sup>1</sup> The applicant is obliged to submit to the Ljubljana Stock Exchange, Inc. the completed application form with the enclosures. The application form must be completed electronically or handwritten in legible block letters. All signatures on the application form must be original. All information provided by the applicant will be treated by the Ljubljana Stock Exchange, Inc. as confidential and will not be published apart from contact details and names of persons indicated as contacts and except in accordance with applicable laws and internal regulations of Ljubljana Stock Exchange, Inc. The completed application form with all enclosures should be delivered to: The Ljubljana Stock Exchange, Inc., Slovenska cesta 56, 1000 Ljubljana, note: APPLICATION FOR OBTAINING THE STATUS OF THE ADVISER ON PROGRESS SEGMENT. The fee for submission of the application for entry into Register of Advisers in the amount as set applicable Price List should be paid to the bank account of the Ljubljana Stock Exchange, Inc.: Bank account No.: SI56 0310 0100 6373 354 (SKB d.d.).



Information on the organizational structure and governing bodies and description of mechanisms, measures and procedures for identification and prevention of conflicts of interest.

Information on ownership structure.

Information on contact person

first and last name: \_\_\_\_\_

e-mail address: \_\_\_\_\_

phone or cell phone: \_\_\_\_\_

By signing this Application, we confirm that the data contained herein is true and accurate, and we authorise Ljubljana Stock Exchange, Inc. to check all the data stated herein. We hereby undertake to forthwith inform Ljubljana Stock Exchange, Inc.: (i) in the event of any change to information Tate din this Application; and (ii) on any significant events or circumstances that have or may have significant impact on due performance of obligations of the Advisor.

authorised company's signatory: \_\_\_\_\_  
(first and last name)

signature and stamp: \_\_\_\_\_  
(signature and stamp)

date and place: \_\_\_\_\_  
(date and place)



The following should be attached to the application:

1. Incorporation deed of the applicant company;
2. Excerpt from an appropriate register not older than 30 (thirty) days;
3. Financial statements of the applicant company for the last financial year of the applicant company;
4. Written declaration of the applicant company on the employment or other legal relationship with persons from Article 3 Paragraph 2 Item 3 of the Regulations on obtaining the Status of the Advisor on the PROGRESS Segment and their CV's;
5. Written declaration of the applicant company on the appointment of contact person for contact with Ljubljana Stock Exchange, Inc. with all contact details;
6. Written declaration of the applicant company confirming that authorised persons of the applicant company and the persons stated in Article 3 Paragraph 2 Item 3 of the Regulations on obtaining the Status of the Advisor on the PROGRESS Segment have not been convicted of criminal offences described in Article 3 Paragraph 4 Item 2 of the Regulations on obtaining the Status of the Advisor on the PROGRESS Segment and confirming that there are no other circumstances from Article 3 Paragraph 4 of the Regulations on obtaining the Status of the Advisor on the PROGRESS Segment;
7. Written declaration confirming that the applicant company pays its debts when due and that, as at the date of the application and within 12 (twelve) months prior to that date, no enforcement proceedings have been were instituted against the applicant company him;
8. Evidence of payment of the application processing fee.

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Completed by the Ljubljana Stock Exchange

Date of receipt: \_\_\_\_\_  
(date of receipt)

Signature: \_\_\_\_\_



## Application for termination of the Advisor Status on the PROGRESS Segment<sup>2</sup> (Form 02/PROGRESS)

In accordance with the Regulations on obtaining the Status of the Advisor on the PROGRESS Segment the Company hereby submits the application for termination of its Status as the Advisor:

Company: \_\_\_\_\_

Company Address: \_\_\_\_\_

### Information on the applicant company

Company Name \_\_\_\_\_

Registered Office \_\_\_\_\_

Correspondence Address \_\_\_\_\_

VAT Number \_\_\_\_\_

Phone / Fax \_\_\_\_\_

E-mail Address \_\_\_\_\_

### Information on contact person

first and last name: \_\_\_\_\_

e-mail address: \_\_\_\_\_

phone or cell phone: \_\_\_\_\_

### Important Information

Expected Date of Termination: \_\_\_\_\_

Other Relevant Information: \_\_\_\_\_

By signing this Application, we hereby confirm that the data stated herein is true and accurate, and we authorise Ljubljana Stock Exchange, Inc. to check all the data stated herein. We hereby undertake to forthwith inform Ljubljana Stock Exchange, Inc. In the event of any change of the information stated herein.

authorised company's signatory: \_\_\_\_\_  
(first and last name)

signature and stamp: \_\_\_\_\_  
(signature and stamp)

date and place: \_\_\_\_\_

<sup>2</sup> The applicant is obliged to submit to the Ljubljana Stock Exchange, Inc. the completed application form. The application form must be completed electronically or by hand in legible block letters. All signatures on the application form must be original. All information provided by the applicants will be treated by the Ljubljana Stock Exchange, Inc. as confidential and will not be published, except in accordance with applicable laws and internal regulations of Ljubljana Stock Exchange, Inc. The completed application form with all enclosures should be sent to: Ljubljana Stock Exchange, Inc., Slovenska cesta 56, 1000 Ljubljana, note: **APPLICATION FOR TERMINATION OF THE ADVISOR STATUS ON THE PROGRESS SEGMENT.**



\_\_\_\_\_  
(date and place)

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Completed by the Ljubljana Stock Exchange:

date of receipt: \_\_\_\_\_  
(date of receipt)

signature: \_\_\_\_\_



## Statement of the Advisor on the PROGRESS Segment (Form 03/PROGRESS)

### Company Data

Company Name \_\_\_\_\_

Registered Office \_\_\_\_\_

Correspondence Address \_\_\_\_\_

VAT Number \_\_\_\_\_

Phone / Fax \_\_\_\_\_

E-mail Address \_\_\_\_\_

In accordance with the Regulations on obtaining the Status of the Advisor on the PROGRESS Segment ("Regulations"), the Company \_\_\_\_\_, with its registered office in \_\_\_\_\_, hereby states that it meets all conditions for obtaining the Status of the Advisor and that:

1. It shall fully comply with all rules and regulations governing the PROGRESS Segment, including, without limitation, Rules of the Exchange, SI ENTER Rules, as amended from time to time;
2. It shall promptly notify the Exchange of any significant changes to information provided in the Application for obtaining the Status of the Advisor;
3. It shall promptly notify the Exchange of any significant events or circumstances that have or may have a material effect on due execution of the Advisor's obligations;
4. Provide the Exchange with necessary reports on the performance of the Advisor's obligations.

authorised company's signatory: \_\_\_\_\_

(first and last name)

signature and stamp: \_\_\_\_\_

(signature and stamp)

date and place: \_\_\_\_\_

(date and place)

The signatories of this statement declare that they have obtained all necessary authorisations, permissions and approvals for its signature and guarantee that this statement is accurate and complete.

The signatories further declare that they have read, considered and understood this statement, and have signed and stamped it as a sign of their freely expressed will.