

Approved by the decision of the Board  
of the Pridnestrovian Republican Bank  
Minutes No. 51 dated October 25, 2019

**BASIC PRINCIPLES OF GOOD CONDUCT IN THE FINANCIAL MARKET  
(CODE OF GOOD CONDUCT)**

## INTRODUCTION

Good conduct of the financial market entities is the basis of a steadily functioning financial market\* and, as applied to the financial market, it represents the honest and unbiased functioning of its entities, taking into account the legal rights and interests of all interested parties. A well-functioning and consistently developing financial market is a prerequisite and a powerful stimulus for economic growth.

The Decree of the President of the Pridnestrovian Moldavian Republic dated December 12, 2018 No. 460 “On Approving the Development Strategy of the Pridnestrovian Moldavian Republic for 2019-2026” (hereinafter referred to as the “Development Strategy”) establishes the fundamental basic elements of the development of the Pridnestrovian Moldavian Republic: strengthening independence with a focus on gaining international recognition, building a socially oriented state with a market economy and others.

Taking into account all the above aspects, the central bank decided to declare the “Basic Principles of Good Conduct in the Financial Market (Code of Good Conduct)” (hereinafter – the Code).

The Code’s norms are aimed at ensuring the stable functioning of the financial market of the Pridnestrovian Moldavian Republic and create the prerequisites for the development of promising areas, healthy competition, a mechanism for protecting the rights and interests of financial market entities and their customers (potential customers).

The Code applies to financial market entities expressing a desire to be guided by its principles in their activities by signing a declaration of accession to the Code (Appendix to the Code) and sending relevant information about signing the declaration to the Bank of Pridnestrovie a. Information on accession is posted on the official website of the financial market entity in the Internet telecommunication network.

Based on this Code, the financial market entity is entitled to develop its own internal code, taking into account the nature and scale of its activities.

The Code is not a normative document and is of a recommendatory nature.

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\*For the purposes of this Code, financial market entities are understood to mean credit organizations and insurance entities

## Basic principles of good conduct in the financial market

### I. Honesty and impartiality

1. Honesty as an element forming an impeccable business reputation is the basis of the activities of financial market entities.

2. Honest and unbiased attitude of financial market entities to partners, investors, customers (potential customers), the central bank, government bodies and other interested parties when considering work issues, providing services, making decisions and implementing other functions as part of their activities.

3. Unconditional compliance by the entity with its obligations.

4. Prevention:

1) of misleading partners, investors, customers (potential customers), the central bank, state authorities and other interested parties, of providing unreasonable offers and representations,

2) of fraud and other actions that may adversely affect professional reputation;

3) of the illegal receipt, use, disclosure of information constituting banking, commercial, official or other secret protected by the current legislation of the Pridnestrovian Moldavian Republic.

### II. Justice and ethics

1. Equal fair treatment of the rights of shareholders (participants), investors and customers (potential customers).

2. Prevention of any form of discrimination against customers (potential customers), including persons with disabilities, assistance in overcoming barriers that prevent people with disabilities from receiving services on an equal basis with other persons.

3. Compliance with ethical standards in relation to shareholders (participants), investors, employees, customers (potential customers), other legal and physical persons in the process of working relationships.

4. Prevention of infringement of the honor and dignity of customers (potential customers), threats to their personal address and in relation to their property, as well as psychological pressure on customers (potential customers).

### III. Transparency

1. Ensuring full and timely disclosure of information in accordance with the requirements of the current legislation of the Pridnestrovian Moldavian Republic.

2. Providing reliable and complete information to shareholders (participants), investors, customers (potential customers), the central bank, state authorities and other interested parties.

3. Prevention of misrepresentation of the information provided, the use of accurate and unambiguously understood language in relations with shareholders (participants), investors, customers (potential customers), the central bank, state authorities and other interested parties.

4. The presence of understandable and accessible to customers (potential customers), without additional costs for the timely receipt of information, the rules for the provision of financial services, as well as the rules for charging a commission and payment for additional services, information about their sizes.

#### IV. Customer orientation

1. Orientation of financial market entities to the maximum use of their resources to offer customers the most effective solutions to meet their needs.
2. Customer focus of the financial market involves:
  - 1) openness and accessibility of financial services for all customers (potential customers);
  - 2) knowledge of the needs of your customer (potential customer);
  - 3) creation of conditions for loyalty and long-term customer acquisition;
  - 4) providing advice to customers (potential customers) in the provision of services to them.
3. Following the principle of “know your customer.”
4. Development, implementation and clear execution by employees of the rules of customer-oriented behavior.

#### V. Competence and Professionalism

1. Providing conditions for employees to possess the necessary qualifications, experience, knowledge, corresponding to the requirements for the position.
2. Providing conditions for continuous improvement by employees of knowledge, qualifications, competencies and skills.
3. Prevention of negligent, unlawful and unreasonable actions of employees in relation to customers (potential customers), discrediting the business reputation of a financial market entity.
4. Making by employees professional decisions based on all available reliable information.

#### VI. Cooperation

1. Joint development by financial market entities of culture of good conduct and fair competition.
2. Avoidance of actions that worsen the business reputation of the financial market as a whole and of individual financial market entities, hindering the execution of such actions by other entities and persons.
3. Implementing policies and implementing effective procedures to identify and prevent potentially dubious and unlawful practices and employee behavior patterns.
4. Non-discrimination of other financial market entities in any form.

Declaration of accession  
to the “Basic principles of good conduct  
in the financial market”  
(Code of Good Conduct)

\_\_\_\_\_ hereby declares her accession to  
(name of the financial market entity)  
the “Basic principles of good conduct in the financial market”(hereinafter – the Code).

\_\_\_\_\_ took appropriate measures  
(name of the financial market entity)  
to carry out its activities in accordance with the Code, taking into account the volume and  
features of the activities, as well as the nature of participation in the financial market.

Members of the management bodies \_\_\_\_\_,  
(name of the financial market entity)  
as well as employees \_\_\_\_\_ are guided  
(name of the financial market entity)  
by the Code in the exercise of their powers.

I hereby confirm that I have full authority to sign this Declaration of Accession to the  
Code.

\_\_\_\_\_ Name and Surname  
(full job title)(signature)

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