



ARTICLES OF ASSOCIATION

of NLB Komercijalna banka AD Beograd



GENERAL MEETING OF THE BANK'S SHAREHOLDER

No.

Belgrade, __.__.2022

Pursuant to Article 66 of the Law on Banks, at its ____ session on ____2022 the General Meeting of the Bank's Shareholders passed the following

**ARTICLES OF ASSOCIATION OF
NLB KOMERCIJALNA BANKA AD BEOGRAD**

I KEY PROVISIONS

Article 1.

With these Articles of Association, NLB Komercijalna banka AD Beograd (hereinafter: the Bank) regulates the issues of importance for the work of the Bank, in accordance with the Law on Banks, other regulations and the Memorandum of Association of the Bank (hereinafter: the Memorandum).

Article 2.

The Bank is a joint-stock company entered into the register of business entities at the Business Registers Agency with the rights, obligations and responsibilities specified in the law, the Memorandum and these Articles of Association.

Article 3.

In its operation the Bank uses the stamp, the seal and the trademark and the Bank's organizational units use their own stamps, seals and trademarks which, apart from the Bank's business name, also contain the place of operation of the Bank's business unit.

Article 4.

Stamps, seals and trademarks are uniform in their contents, form and size.

Contents, form, size and the manner of use of the stamp, the seal and the trademark are determined by the Bank's Executive Board.

II BANK'S ORGANIZATION AND OPERATION

Article 5.

The Bank operates with its own funds, the funds it acquires in the market and the funds it acquires from other entities, in the manner and under the conditions specified in the regulations.

The Bank operates for and on its own behalf and may perform tasks on its own behalf but for the account of other persons, as well as for and on behalf of other entities, in accordance with the regulations.

The Bank is liable with its total assets.

Article 6.

The Bank may establish organizational units in terms of the law:

- 1) branches on the territory of the Republic of Serbia,
- 2) abroad
 - branches,
 - business units,
 - representative offices.

The Executive Board of the Bank passes the decision on establishment and the tasks performed in the organizational unit from Paragraph 1 of this article, as well as the decision on termination of operation of the organizational unit.

Before deciding on the establishment or the termination of operation of the work of an organizational unit abroad, the Bank's Executive Board needs to obtain a prior approval from the Bank's Board of Directors.

Article 7.

The general by-law that determines the Bank's organization, passed by the Bank's Board of Directors, determines various forms in which tasks are performed on the level of the Bank and in parts of the Bank.

Article 8.

The general by-law that regulates the job classification in the Bank, passed by the Executive Board, must be in compliance with the general by-law on internal organization i.e. the Bank's organizational structure, passed by the Bank's Board of Directors.

III BANK'S BODIES

Article 9.

The Bank's bodies are:

- 1) General Meeting of Shareholders,
- 2) Board of Directors,
- 3) Executive Board,

- 4) Audit Committee,
- 5) Credit Committee and
- 6) Asset-Liability Committee.

The Bank may, if needed, establish also other committees, as well as other bodies in accordance with these Articles of Association and the Bank's by-laws, and the Bank's responsible body that has established those committees, or bodies, may pass a decision on terminating their operation.

Minutes of the meetings of all of the Bank's bodies and committees should contain, as the minimum, the following: date, time and venue of the meeting, the attending and absent members, the acting chairperson of the meeting, the minutes taker and other persons present at the meeting, the agenda, the most important elements of the discussion regarding the issues covered by the agenda for those meetings, the questions, comments and conclusions, if any, as well as dissenting opinions of the members of those bodies and committees, if any.

1. GENERAL MEETING OF SHAREHOLDERS

Article 10.

The General Meeting of the Bank's Shareholders (GMS) consists of the Bank's shareholders.

Shareholders exercise their right to vote on the Bank's GMS directly or via their representatives.

A representative of the shareholder from Paragraph 1 of this article must have a duly issued power of attorney, in accordance with the law.

Shareholders who hold at least 1% of voting shares may participate in person in GMS's proceedings.

Shareholders who individually do not hold the number of shares specified in the previous Paragraph of this article may associate themselves in a group and have a single representative and they also have the right to participate in the proceedings of the GMS via a joint attorney or vote in absentia, if they jointly achieve the threshold specified in Paragraph 4 of this article.

Article 11.

General Meeting of the Bank's Shareholders (GMS)

- 1) adopts the Bank's business policy and strategy that define the Bank's business targets for the period of at least three years;
- 2) adopts the Bank's Articles of Association and adopts the amendments and supplements to the Memorandum and the Bank's Articles of Association;
- 3) adopts the Bank's financial report and decides on the use and distribution of realized profit, coverage of loss, as well as the dividend payout and other payouts to the shareholders regarding their ownership of the shares and adopts the dividend policy;
- 4) decides on the increase in the Bank's capital, investment of capital in another bank or in other legal entities, as well as on the level of investment into the Bank's fixed assets; decides on the change in the type, right or nominal value of any class of shares or the issue of the new class or type of shares and replacement of shares or exclusion of any shares from the stock exchange or the distribution of shares;

- 5) appoints and releases from duty the chairperson and members of the Board of Directors of the Bank;
- 6) determines the compensation for the members of the Board of Directors;
- 7) passes a decision on: merger, acquisition or any other status change in accordance with the law and the termination of the Bank's operations;
- 8) appoints and releases from duty the external auditor;
- 9) passes a decision on acquisition of own shares, their disposal or cancellation in the manner and under the terms specified in the law and other regulations;
- 10) passes its own rules of procedure and decides on other issues, in accordance with the law and these Articles of Association.
- 11) at least once a year considers the written information with detailed data about all salaries, compensation and other remuneration for members of the Bank's Board of Directors and the Executive Board and about all the contracts between the Bank and the members of those committees and other persons related to those members that result in a material gain for those persons, as well as the proposal of the Board of Directors on salaries, compensation and other material gains for those persons for the following year.

Article 12.

A GMS session can be regular or extraordinary.

As a rule, GMS sessions are held on the premises of the Bank's headquarters.

GMS sessions can be held also by using a conference call or other audio and video communication equipment, so that all the persons who participate at the session can hear and speak to each other. Persons who participate at the session in this manner are considered to be personally present at the session.

Article 13.

Regular GMS session is convened and held at least once a year, within no later than six months from the end of each business year.

The Bank's Board of Directors passes a decision that specifies the date, time and venue of the regular GMS session, the draft agenda and other issues that are, in accordance with the law, of importance for sending the invitation to shareholders.

National Bank of Serbia may demand that certain issues be included in the agenda of the regular GMS session.

Article 14.

A written invitation to the regular GMS session is sent to each shareholder or posted on the webpage, the webpage of the Central Securities Register and Clearing House, the webpage of the Register of Business Entities and the webpage of the Belgrade Stock Exchange by no later than 30 days prior to the GMS session. The posting lasts at least until the date of the session.

The Bank shall post, on its webpage, together with the invitation to the session, also the total number of shares and voting rights on the date the invitation is released, including also the number of shares of each class that have the right to vote on items of the agenda.

Materials for the GMS session are placed at the disposal of shareholders simultaneously with the sending of the invitation: 1) by personal retrieval or via proxy, at the Bank's headquarters during regular working hours or 2) on the Bank's webpage so that the shareholders may retrieve them in their entirety.

The Bank's Board of Directors is obliged to notify the National Bank of Serbia, within the deadline specified for notification to GMS members, about the date and the agenda of the GMS session.

A representative of the National Bank of Serbia may attend the GMS session and may address the shareholders at the session.

Article 15.

An extraordinary GMS session may be convened at the request of:

- 1) the Board of Directors,
- 2) the Executive Board,
- 3) the Bank's shareholder with at least 10% of the Bank's shares with a voting right.

The Board of Directors is obliged to convene an extraordinary GMS session:

- 1) when the Bank becomes undercapitalized,
- 2) at the request of the Bank's internal audit, external auditor or the Audit Committee,
- 3) at the request of the National bank of Serbia,
- 4) whenever the Board of Directors deems it needed.

National Bank of Serbia may demand that certain issues be included in the agenda for the extraordinary GMS session.

A request from Paragraph 1, Item 3 of this article must be dated, signed by all the shareholders who are submitting it, contain the data for identifying those shareholders about the number of shares owned by each of those shareholders, draft agenda, as well as the reasons why the GMS session is convened. The request must be addressed to the Bank's Board of Directors.

The Bank's Board of Directors is obliged to decide about the request by no later than 8 days from the date of receipt of the request and notify each person that demanded the convening of this GMS session about its decision, by no later than 8 days from the date the decision was made.

A written invitation to each shareholder for the extraordinary GMS session is submitted by no more than 21 days prior to the date of the GMS session.

The Board of Directors shall notify the National Bank of Serbia about the date of holding the session and the agenda of the extraordinary GMS.

A representative of the National Bank of Serbia may attend the extraordinary GMS session and may address the shareholders at that session.

Article 16.

A quorum for the GMS session consists of a simple majority of the total number of votes of the class of shares with the voting right regarding that issue.

If the GMS session has been postponed due to the lack of quorum, it can be convened again with the same agenda, so that the session is held by no later than 30 and not earlier than 15 days, counting from the date of the session that was not held (repeat session). In this case the quorum consists of one third of the total number of votes of the voting shares regarding that issue. An invitation to the repeat session is sent to the shareholders by no later than ten days prior to the date that has been planned for the repeat session.

Quorum at the GMS session is established before starting the discussion on the items of the agenda and the votes of shareholders who voted in absentia or electronically are also added to the quorum.

Shareholders who are private individuals may personally participate at the GMS session; shareholders who are legal entities are represented at the GMS session by the legal representatives. Each shareholder or their legal representative who cannot attend the GMS session may authorize another shareholder or a third party, with a power of attorney, to participate in the proceedings of the GMS on their behalf, including the right to vote on their behalf. A written notification on granting such an authority must be submitted to the Board of Directors of the Bank prior to the GMS session.

A power of attorney for voting can also be given electronically and must be signed with a qualified electronic signature in accordance with the law that regulates the electronic signature. A shareholder or an attorney may notify the Bank of the power of attorney issued for voting electronically, by sending an email to kabinet@kombank.com.

A power of attorney cannot be given to the members of the Board of Directors, members of the Executive Board nor other persons who, according to the law, cannot have the capacity of a shareholder's attorney.

Article 17.

GMS passes decisions with a simple majority of votes of the attending shareholders who have the right to vote on a certain issue, except in cases specified in the law and in the Memorandum.

At the GMS session each ordinary share grants the holder of such a share the right to a single vote. Unless otherwise specified by the law or the provisions of these Articles of Association, the decisions of the GMS are passed with the simple majority of votes of the attending shareholders regarding the specific issue.

When determining the number of votes of the attending shareholders for the purpose of determining the majority for decision-making, votes of the shareholders who voted in writing or electronically are also taken into consideration.

The GMS decides with the three-quarter majority of votes of the attending shareholders who are entitled to vote:

- 1) on any status change,
- 2) on the termination of the Bank's operation,
- 3) on the increase or decrease in capital,
- 4) on the acquisition and disposal of the assets of great value.

Article 18.

Chairperson of the GMS presides over the work of the GMS. The GMS elects the Chairperson at each session, in accordance with the Rules of Procedure of the GMS.

Article 19.

Chairperson of the GMS performs the following tasks:

- 1) directs the proceedings of the GMS,
- 2) appoints the minutes taker and members of the Voting Commission,
- 3) ensures that the proceedings run according to the established agenda,
- 4) gives floor to the shareholders or the representatives of the shareholders, a representative of the National Bank of Serbia, if he/she is present, as well as to other participants at the session,
- 5) ensures that the decisions and other documents adopted at the session are appropriately phrased,
- 6) signs the decisions adopted by the GMS,
- 7) performs also other tasks, in accordance with the law and the Rules of Procedure of the GMS.

Minutes are taken of the GMS session which contain the date, time and the venue of the session, names of the persons present at the session, their capacity at the session, the agenda, elements of the discussion, requests from shareholders, voting results, decisions and other documents adopted at the session.

Article 20.

Rules of Procedure of the GMS regulate in more detail the issues that relate to convening, holding, preparation of the minutes and to the proceedings of the GMS.

2. BOARD OF DIRECTORS

Article 21.

Board of Directors of the Bank consists of at least 5 (five) members, including the chairperson, out of whom at least one third must be persons independent of the Bank, in accordance with the law.

At least three members of the Board of Directors must have the relevant experience of finance, in accordance with the law.

Members of the Board of Directors must have good business reputation and the appropriate qualifications specified by the National Bank of Serbia.

At least one member of the Bank's Board of Directors must have an active knowledge of the Serbian language and reside on the territory of the Republic of Serbia.

Article 22.

A member of the Board of Directors is appointed by the GMS to a period of four years with a possibility of a reappointment.

A person with at least three years of experience in the managerial position at the entity in the financial sector or six years of experience in the field of finance and banking, who has distinguished themselves as an expert or a scientist in those areas and who meets other prescribed conditions is appointed member of the Board of Directors of the Bank, from Article 21, Paragraph 2. For other members of the

Board of Directors a person with at least six years of experience in managerial position in a company and who meets other prescribed conditions is appointed.

Draft decision on appointing the chairperson and a member of the Bank's Board of Directors is formulated by the existing Board of Directors.

The GMS passes a decision on releasing from duty a member of the Board of Directors.

The Bank's GMS passes a decision on releasing from duty a member of the Board of Directors also in case the term of office of a member has expired.

Term of office of a member of the Board of Directors appointed upon the release from duty of a member of the Board of Directors, in accordance with Paragraphs 4-5, lasts for four years from the date of the appointment. In case of a release from duty, resignation or the expiration of the term of office of a member of the Board of Directors, that member of the Board of Directors shall continue to perform their function in the transition period until the appointment of a new member of the Board of Directors who has received the prior approval from the National Bank of Serbia, if it is necessary in order to maintain the legally prescribed minimum number of members of the Board of Directors, but the period from the date of passing the Decision of the GMS on release from duty until the effective date of that decision may not be longer than three months.

Continuity in the performance of the function of a member of the Board of Directors shall be ensured in case their current term of office expires, for which the Bank has submitted a request to the National Bank of Serbia for granting a prior approval to their reappointment in the sense that they will continue to perform their function until the decision on the outcome of the procedure is received.

The GMS may release a member of the Board of Directors from duty before the expiration of the term of office or reappoint the same member, in accordance with the law and the by-laws of the National Bank of Serbia.

Article 23

The GMS may release from duty the chairperson and member of the Board of Directors before the expiration of the term of office to which they were appointed:

- 1) at the personal request of the member of the Board of Directors (resignation),
- 2) at the proposal of the Board of Directors,
- 3) as the result of a recall by the shareholder they represent,
- 4) if they do not make decisions or do not resolve the issues from their field of responsibility,
- 5) if they pass a decision that is not within their field of responsibility or pass a decision that is contrary to the law, the Bank's by-laws and the GMS decisions;
- 6) in case of an important change in the ownership structure in the share capital which affects the exercise of the rights to govern the Bank;
- 7) in other cases prescribed by the law.

The term of office of the Chairperson or a member of the Board of Directors shall cease, before the expiration of the time to which they were appointed, either at their personal request (resignation) or by a release from duty at the Bank's GMS, without stating the reasons for the release.

Article 24

The Bank shall notify the National Bank of Serbia on a release from duty or a resignation of a member of the Bank's Board of Directors within ten days from the date of release from duty or resignation, stating the reasons for it. The Bank is obliged to notify the National Bank of Serbia of the changed circumstances that relate to the fulfillment of the conditions for the appointment of the members of the Board of Directors.

Article 25.

The chairperson and a member of the Board of Directors shall be liable with all their assets for the damage caused to the Bank, if they have voted in favor of the decision or a document of the Board of Directors which, contrary to the provisions of the Law on Banks:

- 1) returns the stake to the shareholders;
- 2) own shares are acquired;
- 3) distributes profit;
- 4) decreases the Bank's share capital.

The chairperson and a member of the Board of Directors are obliged to compensate the Bank for the damage from the previous Paragraph of this article in the amount of the damage that was caused.

Article 26.

The Board of Directors:

- 1) convenes GMS sessions;
- 2) prepares for the GMS the draft decisions and is responsible for implementing them;
- 3) adopts the Bank's draft business policy and strategy and submits them to the GMS for adoption;
- 4) establishes the Bank's general operating terms, as well as their amendments and supplements;
- 5) appoints, releases from duty, reappoints the president, deputy president and members of the Bank's Executive Board;
- 6) appoints and releases from duty the members of the Audit Committee, Credit Committee, ALCO;
- 7) appoints and releases from duty the manager of the organizational unit whose responsibility is the internal audit and the manager of the organizational unit whose responsibility is the compliance of the Bank's operation;
- 8) determines the amounts up to which the Executive Board of the Bank may decide on the Bank's lending and borrowing and decides on the Bank's lending and borrowing above those amounts;
- 9) grants prior approval for the Bank's exposure to each individual person or a group of related entities of over 10% and for the increase of this exposure by over 20% of the Bank's equity;
- 10) adopts a general plan on the purchase and sale of the Bank's fixed assets and investment property, in accordance with the decision of the GMS on the level of investment into the Bank's fixed assets and investment property;
- 11) passes decisions on the disposal (sale, lease-out or another legal transaction), purchase or lease-in of any fixed asset through a single or a sequence of related legal transactions above the amount specified in the Board of Directors' decision/by-law, as well as the decision on disposing of the repossessed property above the amount set in the Board of Directors' decision/by-law;
- 12) monitors the operation of the Executive Board;
- 13) establishes the system of internal controls in the Bank and the Banking group and monitors its efficiency;
- 14) adopts the Internal Audit plan and program and its work methodology;
- 15) adopts the risk management strategy and policy, as well as the capital management strategy;

- 16) considers the reports of the external and internal audit on the results of conducted audits, as well as the results of the Internal Audit's activities and work, and approves the annual report on the adequacy of risk management and the internal control of the Bank;
- 17) adopts the quarterly and annual reports of the Bank's Executive Board on the Bank's operation, including the quarterly risk management report, and submits to the GMS the adopted financial statements for final adoption;
- 18) passes rules of procedure for its operation and the operation of the Audit Committee, Credit Committee and ALCO;
- 19) notifies the National Bank of Serbia and other competent bodies about the identified irregularities in the operation of the Bank;
- 20) passes a decision on permanent write-off of receivables above the amount that the Executive Board decides on;
- 21) adopts the Bank's annual business plan or the budget and their amendments and supplements;
- 22) grants an approval for entering into a legal transaction with a related entity in cases specified in the provisions of the Law on Banks and the regulations of the National Bank of Serbia;
- 23) determines the internal organization i.e. the Bank's organizational structure that ensures the separation of authority, duties and responsibilities of employees, members of the management bodies and other persons on the managerial positions in the Bank, in the manner that prevents the conflict of interest and ensures a transparent and documented process of making and implementing decisions;
- 24) adopts the remuneration policy for the employees in the Bank;
- 25) adopts the Recovery Plan for the Bank and the Banking group;
- 26) forms commissions and/or committees for certain tasks from the responsibility of the Board of Directors and determines their composition, the field and manner of work, unless specified otherwise in these Articles of Association;
- 27) passes decisions on legal transactions and a sequence of related legal transactions that exceed the limit for the Executive Board that has been determined in the decisions/documents of the Board of Directors, all in accordance with the Law on Banks, the regulations of the National Bank of Serbia and the Bank's by-laws.
- 28) performs other tasks and adopts other documents in accordance with the Law on Banks and other laws and secondary legislation and performs other tasks and adopts other documents that are not the responsibility of the GMS, Audit Committee, Executive Board and the Bank's other bodies.

The Board of Director is responsible for the accuracy of all the reports on the Bank's operation, financial situation and business results sent to the Bank's shareholders, the public and the National Bank of Serbia.

Article 27.

Meetings of the Bank's Board of Directors are held as needed, but not less than once in three months.

Meeting of the Bank's Board of Directors are held on the premises of the headquarters or other organizational units of the Bank on the territory of the Republic of Serbia, at least once in three months.

Meetings of the Board of Directors may be held also by using conference call or other audio and video communication equipment so that all the persons participating at the meeting may hear and talk to one another, in which case they will be deemed present at the meeting.

Exceptionally, in special cases, meetings of the Bank's Board of Directors may be held also using electronic media (correspondent meeting). Decision-making at the correspondent meeting is valid only if all the members of the Board of Directors confirm their decision in writing, using the voting ballots.

Issues of key importance for the Bank's functioning and operation cannot be decided on at correspondent meetings of the Board of Directors.

The Board of Directors is obliged to notify the National Bank of Serbia about the date and the agenda of both the regular meeting, as well as a correspondent meeting, within the deadline specified for notification to members of the Bank's Board of Directors.

The Board of Directors shall hold an extraordinary meeting, if the National Bank of Serbia so requires, for the purpose of considering certain issues.

If the National Bank of Serbia deems it necessary, a representative of the National Bank of Serbia may attend the meeting of the Bank's Board of Directors and address its members.

The manner of work, the decision-making process and other issues related to the work of the Board of Directors are regulated in more detail by the Rules of Procedure for the Board of Directors that define the process of decision-making in writing i.e. when voting is done using written statements by the members of the Board of Directors, which is considered the date of holding the written meeting, as well as the date of decision-making.

Rules of Procedure of the Board of Directors regulate, among other things, the preparation of the minutes that shall contain, as a minimum: the date, time and venue of the meeting, the members of the Board of Directors present at the meeting, the Chairperson of the Board of Directors, the minutes taker and other persons present at the meeting, the agenda, the elements of discussion per items of the agenda, questions, comments, requests made by the board members, voting results, decisions and conclusions adopted as well as the signatures of the persons defined in the Rules of Procedure.

The Bank shall, as a matter of obligation, prepare the minutes of both the held regular meetings, as well as of extraordinary and correspondent meetings of the Board of Directors.

Together with the report it submits to the National Bank of Serbia, the Bank is obliged to also submit the report on the total number of meetings of the Board of Directors held and of the venue of those meetings.

Article 28.

There is a quorum for work and decision-making of the Board of Directors if the meeting is attended by the majority of the total number of the members of the Board of Directors.

The chairperson and each member of the Board of Directors are entitled to a single vote each.

The Board of Directors passes decisions with a majority of votes of the total number of votes on the Board of Directors.

3. EXECUTIVE BOARD

Article 29.

The Executive Board consists of at least three members, one of whom is the President of the Executive Board and another Deputy President of the Executive Board.

The President of the Executive Board acts for and on behalf of the Bank, in accordance with the provisions of Article 54 and 55 of these Articles of Association.

President of the Executive Board manages the work of the Executive Board and is responsible for the implementation of decisions of the Executive Board in the tasks that relate to its responsibility.

Deputy President of the Executive Board replaces the President in case the President is absent and performs other tasks at the order of the President of the Executive Board and is responsible for the implementation of decisions from the field of responsibility of the Executive Board and the tasks that have been delegated to them.

The President, Deputy President and other members of the Executive Board perform the tasks within the field of responsibility specified in the Bank's general by-laws and are responsible for the execution of those tasks and implementation of the decisions of the Executive Board in the part that relates to the tasks from their field of responsibility.

Term of office of the members of the Executive Board, including the President and the Deputy President of the Executive Board is four years from the date of their appointment.

A member of the Executive Board of the Bank may be released from their duty:

- 1) at the personal request by filing a resignation (resignation);
- 2) if the Board of Directors establishes that the tasks they perform exceed their capacity and that this has a harmful effect on the Bank's business results and operation;
- 3) if, in the course of their work, they commit a serious or repeated breach of the law, the Bank's by-laws or fail to implement the decisions of the GMS or the Board of Directors or act contrary to those decisions;
- 4) if, upon appointment, circumstances arise due to which that person no longer meets the conditions for a member of the Executive Board specified in the laws and regulations of the National Bank of Serbia.

The Board of Directors passes a decision on release from duty of a member of the Executive Board also in the case of expiration of the term of office of a member of the Executive Board.

Term of office of a member of the Executive Board appointed upon the release from duty of a member of the Executive Board, in accordance with the previous Paragraph, lasts for four years from the date of their appointment. In case of a release from duty, resignation or expiration of the term of office of a member of the Executive Board, that member of the Executive Board shall continue performing their function in the transition period until appointment of a new member of the Executive Board who has been granted a prior approval from the National Bank of Serbia, if that is necessary in order to maintain the legally prescribed minimum number of members of the Executive Board. However, the period from the moment the decision of the Board of Directors on release from duty is passed until the effective date of that decision may not be longer than three months.

Continuity in the performance of the function of a member of the Executive Board shall be ensured in case their current term of office expires, for which the Bank has submitted a request to the National Bank of Serbia for granting a prior approval to their reappointment in the sense that they will continue to perform their function until the decision on the outcome of the procedure is received.

Article 30.

The Executive Board of the Bank organizes and supervises the Bank's day-to-day operation.

The Executive Board of the Bank is responsible for the implementation and efficient operation of the internal control systems in the Bank.

The Executive Board of the Bank:

- 1) implements the decisions of the Bank's GMS and the Board of Directors;
- 2) proposes to the Board of Directors the Bank's new business policy and strategy, as well as the strategy and policy for managing risks and the Bank's capital management strategy;
- 3) implements the Bank's business policy and strategy by making appropriate business decisions;
- 4) implements the risk management strategy and policy and the capital management strategy by adopting the procedures for risk management i.e. for risk identification, measurement and assessment and ensures their implementation and reports to the Board of Directors regarding those activities;
- 5) analyses the risk management system and reports to the Board of Directors, at least on a quarterly basis, about the level of exposure to risks and risk management;
- 6) decides on the Bank's lending and borrowing up to the amount set by the Bank's Board of Directors;
- 7) decides, with a prior approval from the Bank's Board of Directors, on any increase in the Bank's exposure to an entity related to the Bank and informs the Board of Directors of that;
- 8) makes decisions on disposal of (sale, lease-out or another legal transaction), purchase or lease-in of any fixed asset with one or a sequence of related legal transactions up to the amount specified in the decision/by-law of the Board of Directors, as well as decisions on disposal of repossessed assets up to the amounts specified in the decision/by-law of the Board of Directors;
- 9) ensures the safety and regular monitoring of the information technology system and treasury operations in the Bank;
- 10) notifies the Board of Directors of all the actions that are not in accordance with the regulations and the Bank's other by-laws;
- 11) submits to the Bank's Board of Directors an overview of business activities, balance-sheet and profit&loss account at least once in a business quarter;
- 12) notifies the Board of Directors and the National Bank of Serbia, without delay, about any deterioration of the Bank's financial situation or the existence of a threat of such deterioration, as well as of other facts that might significantly affect the Bank's financial situation;
- 13) ensures that all employees are aware of the regulations and the Bank's other by-laws that regulate their work duties;
- 14) adopts its Rules of Procedure;
- 15) proposes to the Board of Directors the passing of decisions from the field of responsibility of the Board of Directors, except for decisions whose proposal is the responsibility of other bodies;
- 16) organizes and manages the work of the employees and decides on the rights, duties and responsibilities of the employees;

- 17) adopts general by-laws, instructions and rules that are within its responsibility, in accordance with the law and the Bank's by-laws;
- 18) passes a decision on permanent write-off of receivables up to the amount established in the Board of Directors' decision;
- 19) establishes the commissions and/or committees for certain tasks from the field of responsibility of the Executive Board and determines their composition, manner and field of work, unless these Articles of Association specify otherwise;
- 20) decides on all issues that are not the responsibility of the GMS and the Board of Directors;
- 21) performs also other tasks, in accordance with the law, these Articles of Association and the Bank's by-laws.

Article 31.

Meetings of the Executive Board may also be held using a conference call or other audio and video communication equipment. So that all the persons participating at the meeting may hear and communicate with each other.

There is a quorum for work and decision-making by the Executive Board if the meeting is attended by the majority of the total number of the members of the Executive Board.

The Executive Board passes decisions with the majority of votes of the total number of members.

Manner of work, decision-making procedure and other issues regarding the work of the Executive Board are regulated in more detail in the Rules of Procedure of the Executive Board which, inter alia, regulates also the preparation of the minutes that contain, as a minimum: the date, time and venue of the meeting, the attending members of the Executive Board and other persons, minutes taker, agenda, voting results for every item of the agenda, elements of the discussion per items of the agenda, questions, comments by a member of the Executive Board, decisions and conclusions reached, as well as the signatures of persons defined in those Rules of Procedure.

4. AUDIT COMMITTEE

Article 32.

The Audit Committee consists of at least three members, two of whom are members of the Bank's Board of Directors who have the appropriate experience of finance.

At least one member of the Audit Committee is a person independent of the Bank.

Persons related to the Bank may not be members of the Audit Committee, except on the basis of their membership of the Bank's Board of Directors or a management body i.e. the supervision of persons within the same banking group.

Members of the Bank's Audit Committee are appointed to a period of four years.

A member of the Audit Committee of the Bank may be released from their duty, with the decision of the Board of Directors, before the expiration of the time to which they were appointed.

Article 33.

The Audit Committee of the Bank assists the Board of Directors of the Bank in supervising the work of the Executive Board of the Bank and the employees in the Bank.

The Audit Committee of the Bank is obliged to:

- 1) analyze the annual reports and other financial statements of the Bank that are submitted to the Board of Directors for consideration and adoption;
- 2) analyze and adopt the Bank's draft strategies and policies regarding risk management and the internal control system that are submitted to the Board of Directors for consideration and adoption;
- 3) analyze and supervise the application and adequate implementation of the adopted strategies and policies for risk management and implementation of the internal control systems;
- 4) at least once a month report to the Board of Directors on its activities and identified irregularities and propose the manner in which such irregularities will be eliminated i.e. the manner in which the risk management policies and procedures will be improved, as well as implementation of the internal control system;
- 5) consider the Bank's investments and activities at the proposal of the Board of Directors or the Executive Board or the external auditor;
- 6) propose the external auditor of the Bank to the Board of Directors and the GMS;
- 7) consider, with the Bank's external auditor, the annual audit of the Bank's financial statements;
- 8) propose to the Bank's Board of Directors that certain issues regarding the external and internal audit be included in the agenda for the GMS session.

The Bank's Audit Committee is obliged to propose to the Board of Directors elimination of identified irregularities and convocation of an extraordinary GMS session when the Audit Committee assesses that the Bank operates contrary to the law, another regulation, Articles of Association or the Bank's other by-laws or if such a conclusion is made on the basis of the audit reports or when it identifies other irregularities that might have more significant consequences on the Bank's operation.

Article 34.

Members of the Audit Committee convene at least once a month and at least once in three months at the Bank's headquarters.

As a matter of exception, Audit Committee meetings may be held also electronically.

There is a quorum for work and decision-making of the Audit Committee if the meeting is attended by the majority of the total number of members of the Audit Committee.

The Audit Committee passes decisions with a majority of votes of the total number of members.

The manner of work, the decision-making process and other issues regarding the work of the Audit Committee are regulated in more detail with the Rules of Procedure of the Audit Committee which, inter alia, regulate also the preparation of the minutes that contain, as a minimum: the date, time and venue of the meeting, the Audit Committee members and other persons present at the meeting, the agenda, adopted decisions, recommendations, conclusions for each item of the agenda, voting results, dissenting opinions of the Audit Committee members, the secretary, time when the meeting ended, elements of discussion per items of the agenda, as well as proposals of this committee for elimination of

the identified irregularities and improvement of policies and procedures for risk management and implementation of the internal control systems and the signature of persons defined in the Rules of Procedure.

5. CREDIT COMMITTEE

Article 35.

The Credit Committee decides on loan applications within the frameworks specified in the Bank's by-laws and performs other tasks specified in the Bank's by-laws and the regulations of the National Bank of Serbia.

The Credit Committee is formed on the level of the Bank.

The Credit Committee performs the following tasks:

- 1) passes decisions on approval of lending to a legal entity, private individual or a financial institution, as well as amendments to the terms of use of that lending; passes decisions on approval of all types of dinar and FX loans, guarantees, letters of credit and other forms of sureties, as well as other types of the Bank's lending, on the basis of the Bank's by-laws, in accordance with the law and other regulations;
- 2) passes decisions on risk lending, repossessed assets and write-off of receivables; passes decisions on lending and amendment of the terms of use of lending to a legal entity, private individual or a financial institution, including also the related entities that have an NPL status; passes decisions on the write-off of the Bank's receivables for lending to borrowers who have an NPL status, up to the decision-making limit specified in the decision of the Bank's Board of Directors;
- 3) passes decisions on the selection of valuers and insurance companies;
- 4) analyses the Bank's exposure to the credit, interest and currency risk, development of the loan portfolio and findings of the internal audit from the responsibility of the committee and proposes measures to the Bank's Executive Board;
- 5) performs also other tasks specified in the decision of the Bank's Board of Directors.

Article 36.

The Credit Committee consists of:

- 1) the president and at least two members, with one member of the Credit Committee acting also as the deputy president in case the president is absent;
- 2) at least two deputy members.

The president, members and deputy members of the Credit Committee are selected from the Bank's employees.

The Credit Committee consists of the Bank's employees i.e. the members of the Executive Board, managers of organizational units of the Bank from the risk business function, corporate and retail business function.

The Board of Directors may appoint also other persons as members of the Credit Committee, outside the established membership structure from the previous Paragraph.

The Bank's Board of Directors determines the composition, responsibilities and decision-making limits for the Credit Committee.

Members of the Credit Committee are appointed by the Board of Directors.

Term of office of the members of the Credit Committee who were appointed to that function as members of the Executive Board shall last until the expiration of their term of office as members of the Executive Board, with the possibility of a reappointment. Term of office of the other members of the Credit Committee shall last until their release from duty by the Board of Directors.

A member of the Credit Committee may be released from duty at any moment, with the decision of the Board of Directors. Membership of the Credit Committee may also terminate with the resignation of a member of the Credit Committee, release from the duty in the Bank on the basis of which they were appointed member of the Credit Committee or with the termination of the employment in the Bank.

Meetings of the Credit Committee shall be held with:

- 1) the convening of the members of the Credit Committee on the Bank's premises,
- 2) a written voting by the members of the Credit Committee in electronic form (electronic meeting).

There is a quorum for work and decision-making of the Credit Committee if the meeting is attended by the majority of the total number of members of the Credit Committee.

The Credit Committee shall pass decisions with the majority of votes of the total number of members.

The manner of operation, the decision-making process as well as other issues related to the work of the Credit Committee are regulated in more detail in the Rules of Procedure of the Credit Committee which, inter alia, regulate also the preparation of the minutes that must contain, as a minimum: the date, time and venue of the meeting, members of the Credit Committee present at the meeting and other persons, the agenda, adopted decisions, voting results, dissenting opinions of the members of the Credit Committee, the secretary, conclusions, time of completion of the meeting and signature of the persons specified in the Rules of Procedure.

6. ASSET-LIABILITY COMMITTEE (ALCO)

Article 37.

The Asset-Liability Committee (ALCO) monitors the Bank's exposure to risks that arise from the structure of its balance-sheet liabilities and receivables and off-balance-sheet items, proposes measures for managing interest risk and liquidity risk by passing specific conclusions at the sessions and issuing clear guidelines to the bank's organizational units and its employees that should ensure adequate management of such risks. The ALCO performs also other tasks specified in the regulations of the National Bank of Serbia and the Bank's by-laws:

- monitors and analyses the maturity, interest and currency adjustment of balance-sheet items, as well as the off-balance sheet and their compliance with the internally and externally set limits;
- on the basis of the submitted information reaches conclusions and proposes the appropriate measures to the Executive Board and the responsible organizational units with the aim of managing the liquidity risk and interest risk;
- monitors and analyzes the structure of the balance-sheet and P&L and the achievement of the planned performance indicators;

- monitors and analyses the securities portfolio, the share and stakes in equity of other legal entities, trends and turnover of the Bank's shares and proposes the appropriate measures;
- monitors and analyses the changes in the funding sources and prices and proposes measures with the aim of improving the quality of funding sources in terms of volume and maturity;
- proposes to the Executive Board the correction of lending and borrowing interest rates and adopts the fund transfer prices;
- proposes also other measures for mitigating these risks and increasing the Bank's profitability;
- decides on the issues from its responsibility as regulated by the Law on Banks, other regulations, the Bank's Articles of Association and the Bank's by-laws, in accordance with the process prescribed by the Rules of Procedure of ALCO.

ALCO submits a report on its activities to the Executive Board and the Board of Directors.

ALCO consists of at least three members, including the president of the Committee and the Committee is appointed to the period of four years, but the number of members must be odd.

Members of ALCO are appointed by the Board of Directors, but it is obligatory that this covers the relevant members of the Executive Board, manager of the organizational unit in charge of asset management and financial institutions, as well as managers of the appropriate organizational units in charge of managing the Retail and Corporate banking.

The Board of Directors may appoint also other persons as members of ALCO, outside the established membership structure from the previous paragraph.

The Board of Directors may, with its decision, release a member of ALCO from their duty before the expiration of the period to which they were appointed.

ALCO meetings are held as needed, but not less than once a month. As a rule, the Committee meetings are held with the convening of the ALCO members. Exceptionally, for reasons of urgency, a Committee meeting shall be held electronically (an electronic meeting).

There is a quorum for work and decision-making of the ALCO if the meeting is attended by the majority of the total number of ALCO members.

ALCO passes decisions with the majority of votes of the total number of members.

The manner of work, the decision-making process and other issues related to the work of the ALCO are regulated in more detail by the Rules of Procedure of ALCO which, inter alia, regulate also the preparation of the minutes that contain, as a minimum: date, time and venue of the meeting, Committee members and other persons present at the meeting, the secretary, agenda, clearly formulated conclusions or decisions for each item of the agenda, voting results and the dissenting opinion of a Committee member, time of completion of the meeting and the signatures of persons specified in the Rules of Procedure.

IV MAINTAINING THE BANK'S LIQUIDITY AND SOLVENCY

Article 38.

The Bank shall maintain its liquidity and solvency in accordance with the law, other regulations and the Bank's general by-laws.

Article 39.

For the purpose of maintaining its liquidity, the Bank may use:

- 1) liquidity loans at the National Bank of Serbia and other banks,
- 2) foreign currency reserves that are kept above the minimum value, depending on the economic interest, as well as,
- 3) other sources of funding in accordance with the law.

Article 40.

If the measures from the previous Article do not ensure liquidity, the Bank may undertake also other measures, such as:

- 1) adjusting the inflow and outflow of funds;
- 2) adjusting the structure of the funding sources and lending;
- 3) sale of certain (available) securities, as well as the issue of own securities;
- 4) temporary suspension of payments from the Bank's accounts;
- 5) suspended discounting of securities;
- 6) termination and adjustment of disbursement of loans in accordance with the Bank's liquidity position.

Article 41.

The Bank shall maintain its FX liquidity in accordance with the regulations that govern FX operations.

The Board of Directors and the Executive Board shall be responsible for the Bank's solvency and liquidity, in accordance with the Bank's by-laws.

V CALCULATION OF INCOME, EXPENSES AND PROFIT

Article 42.

The Bank shall calculate the income, expenses and profit in accordance with the Law on Accounting, the Law on Audit and other regulations and these Articles of Association.

Article 43.

A portion of the Bank's operating income, which is left over in accordance with the annual statement, shall be posted as retained earnings, after the Bank's expenses and other legal liabilities are settled.

Article 44.

GMS's decision distributes the realized retained earnings into:

- 1) the Bank's reserves;
- 2) dividend for the Bank's shareholders, in accordance with the law and the decision on the issue of shares;
- 3) payment of the profit-sharing bonus and other payments from profits to the members of the Bank's management bodies and employees.

Article 45.

For the sake of ensuring the safety of operations, the Bank is obliged to form a special reserve as security against the estimated losses in relation to assets and off-balance-sheet items of a certain degree of collectability, in accordance with the criteria and in the manner prescribed by the National Bank of Serbia.

Article 46.

If the Bank posts a loss in its annual financial statements, it shall be covered in the manner specified in the Memorandum.

VI MANNER OF PERFORMING INTERNAL CONTROL AND THE INTERNAL AUDIT OF THE BANK

Article 47.

The Bank is obliged to establish and implement an efficient internal control system in the manner that ensures continuous monitoring of risks the Bank is exposed to or can be exposed to in its operation, which particularly consists of:

- 1) risk management function;
- 2) compliance function;
- 3) internal audit function.

Article 48.

The Bank is obliged to set up and implement the internal control system fully in accordance with the law and the by-laws of the National Bank of Serbia

Article 49.

There is a separate organizational unit in the Bank whose field of responsibility is risk management.

Risk management is adjusted to the size and organizational structure of the Bank, the scope of its activities and the type of tasks the bank performs.

With its internal documents the Bank ensures functional and organizational separation of the risk management activities from the bank's regular business activities.

With its internal documents the Bank prescribes the risk management strategy and policies, capital management strategy, procedures for identifying, measuring and assessing risk, as well as risk management, in accordance with the regulations, standards and professional rules.

The internal documents from Paragraph 4 of this Article contain:

- 1) risk identification, measurement and assessment procedures;
- 2) risk management procedures;
- 3) procedures that ensure the control and consistent application of all internal documents of the Bank in relation to risk management;

- 4) procedures for regular reporting on risk management to the bank's body and the regulatory body.

Article 50.

The function of control of compliance of the Bank's operation is performed by a dedicated and independent organizational unit.

The manager of the organizational unit from Paragraph 1 of this article is appointed and released from duty by the Bank's Board of Directors.

The manager of the organizational unit from Paragraph 1 of this article shall be responsible for identification and monitoring the compliance risk of the Bank and the Banking group and for managing that risk, which particularly covers the risk of sanctions by a regulatory body and financial losses, as well as reputational risk. The Bank's compliance risk arises as a consequence of the Bank's failure to bring itself into compliance with the law and other regulations, business standards, procedures for prevention of money laundering and terrorism financing, as well as other documents that govern the Bank's operation.

At the request of the employees from the organizational unit from Paragraph 1 of this article, the employees in the Bank shall allow them inspection of the documents they have and provide them the necessary information.

Article 51.

The organizational unit whose responsibility is the control of the Bank's compliance is obliged to identify and assess, at least once a year, the main risks of that compliance and propose plans for managing those risks, of which a report is prepared that is submitted to the Executive Board and the Audit Committee.

The report from Paragraph 1 of this article shall be adopted by the Executive Board.

Article 52.

Internal audit in the Bank is performed by a special organizational unit, organized in accordance with the law, whose key tasks are:

- 1) to provide to the Bank's Board of Directors an independent and objective opinion about the issues that are the subject-matter of the audit,
- 2) to perform advisory activity focused on improving the existing system of internal controls and the operation of the Bank and the Banking group, as well as,
- 3) to provide assistance to the Board of Directors and the achievement of its goals by implementing a systemic, disciplined and documented approach to the evaluation and improvement of the existing manner of risk management, control and management of processes.

The Bank's Board of Directors shall appoint and release from duty the manager of the organizational unit from Paragraph 1.

The manager of the organizational unit from Paragraph 1 of this article shall prepare the internal audit program and formulate its work methodology, particularly the instruction for the work of internal audit,

manner and deadlines for preparation and submission of the internal audit reports to the Bank's competent bodies, the manner of monitoring the recommended activities for elimination of irregularities and the deficiencies identified in the Bank's operation, as well as the manner and responsibility for preparation, use and storage of documentation on performed activities of internal audit according to the annual plan.

The manager of the organizational unit from Paragraph 1 of this article shall have the right to directly address the Bank's Board of Directors whenever they deem it necessary and shall be authorized to also propose the convening of a meeting of the Bank's Audit Committee, of which it shall inform the Bank's Board of Directors and, if the meeting of that Committee is not held, it shall inform the Bank's GMS of that at the first upcoming session.

The manager of the organizational unit from Paragraph 1 of this article shall be responsible for efficient, continuous, regular and quality performance of the internal audit function and for the efficient implementation of the program and the annual operational plans of that audit.

The employees in the organizational unit from Paragraph 1 of this article may not perform managerial or other tasks from the Bank's business activity, nor participate in the preparation of by-laws and other documentation that might be the subject-matter of the internal audit.

Article 53.

The Internal audit shall:

- 1) assess the adequacy and reliability of the internal control systems and the compliance function of the Bank and the Banking group;
- 2) ensure that the risks are adequately identified and controlled;
- 3) identify the weaknesses in the Bank's operation and its employees, as well as cases of failure to fulfill the obligations and exceeding the authority and prepare proposals for eliminating those weaknesses, as well as recommendations for their prevention;
- 4) hold meetings with the Bank's Board of Directors and the Audit Committee;
- 5) regularly prepare the reports on the activities of internal audit and submit them to the Bank's Board of Directors, as well as to the Bank's Audit Committee.

The Bank is obliged to perform the function of internal audit in accordance with the regulations and international standards that regulate the key principles of organization and work of the Bank's internal audit and to provide to the persons employed in the organizational unit that performs the internal audit function all the rights and conditions necessary for the performance of internal audit.

VII SIGNING AND REPRESENTING THE BANK

Article 54.

The President of the Bank's Executive Board acts for an on behalf of the Bank.

When entering into legal transactions and performing legal actions from the responsibility of the Executive Board, the President of the Bank's Executive Board shall ensure the signature of the Deputy President of the Executive Board or a member of that Board.

Article 55.

The President of the Bank's Executive Board may issue a written power of attorney, with the signature of the Deputy President of the Executive Board or a member of the Executive Board, to another person for representing the Bank.

The power of attorney from Paragraph 1 of this article contains the conditions for issuing powers of attorney and limitations to the attorney's authority.

VIII PERSONS WITH SPECIAL AUTHORITY AND RESPONSIBILITY

Article 56.

Persons with special authority and responsibility are, apart from the members of the Executive Board, also the managers of the Bank's organizational units who, in accordance with the by-laws of the Bank's internal organization and job classification in the Bank hierarchically report to the Executive Board or a member of the Executive Board in charge of the function they manage.

Persons from Paragraph 1 of this article perform the tasks within the responsibilities specified in the law, these Articles of Association and the Bank's general by-laws.

Persons from Paragraph 1 of this article shall be responsible for execution of the decisions passed by the Bank's bodies and for execution of tasks from their field of responsibility, in accordance with the law, regulations passed by the competent bodies, these Articles of Association and the Bank's general by-laws.

IX THE BANK'S GENERAL BY-LAWS

Article 57.

The Bank's general by-laws are the Articles of Association, policies, strategies, rulebooks, rules, procedures, instructions, rules of procedure and decisions passed by the Bank's bodies, which regulate certain issues in a general manner.

Article 58.

Articles of Association are the Bank's general by-law.

The Bank's other general by-laws must be compliant with the Articles of Association.

Article 59.

Individual by-laws passed by the Bank's bodies and authorized persons in the Bank must be in compliance with the Bank's general by-laws.

X AMENDMENTS AND SUPPLEMENTS TO THE ARTICLES OF ASSOCIATION

Article 60.

An initiative for amendments and supplements to the Articles of Association can be launched by:

- 1) the Board of Directors,
- 2) a shareholder with at least 10% of voting shares or shareholders who together have that percentage – the explained proposal is submitted to the Board of Directors and the Executive Board,
- 3) Executive Board.

Draft amendment and supplement to the Articles of Association is determined by the Bank's Board of Directors at the proposal of the Executive Board.

XI BANKING SECRET

Article 61.

A banking secret is a business secret.

A banking secret is considered the data specified in the law and the data specified as such in the Bank's relevant general by-law. The Bank's general by-law defines in more detail what is and is not considered a banking secret.

The employees may not disclose the data that constitute a banking secret and which they have obtained at work or in relation to work, to third persons nor enable those persons to obtain and use these data, except in cases specified in the law.

Persons outside the Bank are also obliged to keep a business secret, if they knew or, given the nature of the documents and the data, must have known that they are a business secret.

XII INFORMATION AND DISCLOSURE

Article 62.

The Bank is obliged to inform its shareholders, in a regular and a timely manner, about its operation and the financial condition and make available to them the information and documents that, according to the law, must be made available.

The process of informing from Paragraph 1 of this article is carried out through the media, by preparing the reports and information for the needs of the Bank's bodies, as well as via the Bank's webpage, in the manner and within the deadlines specified in the law and other regulations.

The Bank is obliged to post on its webpage the financial statements that are, regarding their contents, manner and the deadline, compliant with the law.

Apart from the statements from the previous Paragraph, the Bank is obliged to post on its webpage also:

- 1) the names of the members of the Board of Directors and the Executive Board,
- 2) the names of persons who have an equity in the Bank and the data about those persons,
- 3) the Bank's organizational structure and the list of its organizational units,
- 4) other data in accordance with the regulations.

When exercising the rights from this article, the shareholder must not compromise the work process in the Bank and is obliged to keep in mind the business secret.

Article 63.

The Bank is obliged to post on its business premises, in a visible location and within the deadlines set in the law, the general operating terms, as well as their amendments and supplements.

The Bank is obliged to allow the client access to data that, according to the law, must be available to the client and to provide to them information, clarification and instruction from the business relation between the client and the Bank and a reply to the client's complaint, in accordance with the law.

Article 64.

The Bank shall notify the employees about its operation and the Bank's general by-laws on its intranet webpage "Portal".

Article 65.

The National Bank of Serbia shall approve the Articles of Association and the amendments and supplements to the Articles of Association.

The Bank's Articles of Association and/or the amendments and supplements to the Bank's Articles of Association shall become effective on the day the National Bank of Serbia grants its approval to them.

XIII TRANSITIONAL AND FINAL PROVISIONS

Article 66.

These Articles of Association shall become effective on the date of registration of the status change of a merger of NLB banka AD Beograd, as the transferring bank, to Komercijalna banka AD Beograd, as the acquiring bank, in the Register of Corporate Entities at the Business Registers Agency, with a previously obtained approval from the National Bank of Serbia and shall apply as of the eighth day from the date it is posted on the Bank's intranet presentation "Portal".