

Republic of North Macedonia
NOTARY PUBLIC
Zorica Pulejkova
for the area of the Basic Courts
of Skopje City
Kuzman Josifovski Pitu 15

ODU No 149/2020

COPY

March 4, 2020 _____
Day fourth, month of March, year two thousand and twenty _____
In Skopje, at 12:00 (twelve) hour, 0 (zero) minutes. _____

I, Notary Public, Zorica Pulejkova, with official office at Kuzman Josifovski Pitu Blvd. No 15 in Skopje, today on March 4, 2020 (Day fourth, month of March, year two thousand and twenty), invited by STOPANSKA BANKA AD Skopje with registered office at 11 Oktomvri St. No 7 in Skopje, attended the Shareholders Assembly of the Bank held on this day in the head office of the Bank at 11 Oktomvri St. No 7 in Skopje, starting at 12 (twelve) hour and 15 (fifteen) minutes, whereas in accordance with the provisions of the Notary Public Law, and Article 407 in connection with Article 383(3) of the Company Law, I drafted the following _____

MINUTES OF THE SHAREHOLDERS ASSEMBLY
of STOPANSKA BANKA AD Skopje

At my request, STOPANSKA BANKA AD Skopje presented the following documentation:-----

1. Current State from the Single Trade Register within the Central Register of the Republic of Macedonia, Regional Registration Office Skopje, determining that STOPANSKA BANKA AD Skopje with registered office at 11 Oktomvri St. No 7 in Skopje is registered in the Single Trade Register administered by the Central Register of the Republic of North Macedonia, with URN 4065549;---
2. Shareholder Book of STOPANSKA BANKA AD Skopje as of 02.03.2020 in which the Company shareholders are registered, with a total number of 17,460,180 ordinary shares and total number of 17,460,180 votes as well as the Company shareholders, with a total number of 227,444 preferred shares without voting right.-----
3. A list of present holders of ordinary shares or their representatives, and holders of preferred shares or their representatives with a number of shares or votes. After the verification of the above list, it was established that the Shareholders Assembly was attended by shareholders of the Bank - holders of ordinary shares and their representatives or proxies with a total of 16,531,280 votes, which is 94.68% of the total number of ordinary shares having voting right, as well as shareholders of the Bank holders of total of 2,253 preferred shares or 0.99% of the total number of preferred shares.-----

Ms. Natasha Trpenoska – Trenchevska, who seated the previous Shareholders Assembly, opened the Shareholders Assembly and after she greeted the shareholders, she informed the attendees that the interpretation in the Shareholders Assembly would be performed by Ms. Ana Vasileva, certified translator from English to Macedonian and vice versa, and that she would interpret the addresses in a foreign language. Furthermore, when registering for this Shareholders Assembly, each of the shareholders and proxies obtained voting cards with the number of shares they hold or represent, to be used for voting. Ms. Natasha Trpenoska – Trenchevska asked the shareholders and their representatives

or proxies to raise their voting cards when voting for the purpose of transparent counting and revealing of the votes. Then she invited Ms. Sonja Nikolovska to proceed the formal part of opening of the Shareholders Assembly.-----

Ms. Sonja Nikolovska proposed that Ms. Natasha Trpenoska – Trenchevska, shareholder of the Bank, is again elected Chairperson of the Shareholders Assembly, Ms. Zorica Pulejkova, Notary Public from Skopje as minute taker, and Ms. Viki Rusevska Tvrtkovikj, holder of preferred shares, as vote counter.----

Considering that not any other proposal was given, the proposal for Ms. Natasha Trpenoska – Trenchevska to be elected Chairperson, the Bank Shareholder, Ms. Viki Rusevska Tvrtkovikj, Shareholder holding preferred shares as Vote Counter and Ms. Zorica Pulejkova, Notary Public from Skopje as Minutes Taker was put for vote. The Shareholders or their representatives and proxies voted publicly, by show of hands. The Shareholders or their representatives and proxies with **16,531,280 votes FOR, 0 votes AGAINST and 0 ABSTAINING votes** voted for the proposal that Ms. Natasha Trpenoska – Trenchevska is elected Chairperson, the Bank Shareholder, Ms. Viki Rusevska Tvrtkovikj, holder of preferred shares as Vote Counter and Ms. Zorica Pulejkova, Notary Public from Skopje as Minutes Taker.

Ms. Natasha Trpenoska – Trenchevska, whose identity was certified by me with insight into her ID card issued by Mol Skopje on 11.07.2016, after expressing her appreciation for the trust, concluded that all Bank Shareholders were invited at this Assembly through a public announcement published in the daily newspaper Večer on 01.02.2020, and informed the attendees that when voting they should show hands, or voting cards to express FOR or AGAINST, or otherwise his/her vote shall be considered ABSTAINING. Furthermore, she informed the Shareholders that through the insight in the List of Present and represented Shareholders at the Assembly, she determined that the Assembly was attended by the Bank Shareholders holding ordinary shares and their representatives with a total of 16,531,280 votes, which constitutes 94.68% of the total number of ordinary voting shares, and 2,253 preferred shares or 0.99% of the total number of preferred shares, so that there is a quorum for the work of the Assembly and passing valid decisions on all items of the proposed Agenda. -----

The Chairperson informed the Shareholders that requests for inclusion of new items in the Agenda were not submitted to the Supervisory Board within the legally prescribed term, and then invited the present Shareholders and their representatives to take the floor upon the Agenda proposed. -----
In view of the fact that no one took the floor, the Chairperson put for vote the proposed-----

----- Agenda -----

1. Election of Chairperson, Notary Public and Vote Counter;-----
2. Review of the Minutes from 46th Shareholders Assembly of Stopanska Banka AD Skopje held on November 19, 2019;-----
3. Adoption of Decision Amending the Statute of Stopanska Banka AD;-----
4. Confirming consolidated text of the Statute of Stopanska Banka AD Skopje; -----
5. Adoption of Decision on Appointing a New Member of the Supervisory Board;-----
6. Adoption of Decision on Reappointing a member of the Supervisory Board;-----
7. Adoption of Decision on Reappointing a Member of the Supervisory Board;-----
8. Adoption of Decision on Reappointing an Independent Member of the Supervisory Board;-----
9. Adoption of Decision on Reappointing an Independent Member of the Supervisory Board.-----

Shareholders or their representatives voted publicly, by show of hands. For the proposed Agenda, the Shareholders or their representatives voted with **16,531,280 votes FOR, 0 votes AGAINST and 0 ABSTAINING votes.** -----

The Chairperson concluded that the proposed Agenda is adopted with the necessary majority of votes. --

Considering the fact that the first item was exhausted, the second item of the Agenda - Review of the Minutes of the 46th Shareholders Assembly of Stopanska Banka AD Skopje proceeded. The Chairperson concluded that the Minutes had been prepared, signed and available to the shareholders for insight in accordance with Article 407 of the Company Law, and after that opened debate hereunder, explaining that the shareholders related to this item do not make a decision. -----

Shareholder V.T., holder of preferred shares took the floor, stating that on the Bank website the Minute of the 46th Shareholders Assembly of Stopanska Banka AD Skopje includes Report on questions and responses and voting results of the 46th Shareholders Assembly, while willing to indicate to the response to the question posted by shareholders provided by the Bank. The indication refers to a question posted by a shareholder noted under number 5, which reads: "Why in the proposal Decision Amending the Statute of Stopanska Banka AD Skopje (relating to the right to SB shares) preferred shares are only defined as cumulative preferred shares?" As response given by the Bank to the question quoted, the shareholder stated that it was not based on the legislation as of the reasons indicated in the reference, which he read and fully explained, and requested that the indication was an integral part of the Minutes of the Shareholders Assembly. After Shareholder V.T read the Reference of the response to the question posted by a shareholder in the 46th Shareholders Assembly of Stopanska Banka AD Skopje, he handed it to the Notary Public in writing to enclose it to the Minute of the Shareholders Assembly – identical to the text read at the current Shareholders Assembly by the Shareholder V.T., **is an integral part of the current Minutes indicated as Appendix A.** -----

In view of the fact that nobody took the floor, the Chairperson concluded that the Assembly reviewed the Minutes of the 46th Shareholders Assembly of Stopanska Banka AD Skopje. -----

The Chairperson proposed that the third item of the Agenda – Adoption of the Decision Amending the Statute of Stopanska Banka AD Skopje, and the fourth item – Confirming consolidated text of the Statute of Stopanska Banka AD Skopje, to be reviewed together, explaining that Amendments to the Statute was made mainly due to organizational change within the Bank for the purpose of improving and strengthening corporate governance. The proposed Amendments reflect the composition of the credit committees, where the position of Senior Director for Management of Credit Risk was introduced accordingly. In addition, that change reflects the provisions governing the Executive Committee, Risk Management Committee and the provisions related to persons with special rights and responsibilities.---
The Chairperson opened a debate.-----

V.T., holder of preferred shares, took the floor and indicated that the explanatory note of the Decision Amending the Statute states that the Bank Statute was adopted in June 2001, and since than it had been amended for numerous times in a procedure prescribed by law and approved by the Governor of NB of RNM. He asked why the Bank refers to the 2001 Statute when it is not in effect, and added an example that the Decision Amending the 2013 Statute indicates that the 2012 Statute cease to apply as of taking effect of that Decision. If reference is made to 2001 Statute as a master Statute, it shall be taken into

consideration that the Statute of the Bank as AD refers to 1990, and that the Bank failed to exist as of 2001. Furthermore, he stated that he referred to the Bank to provide acts adopted in 1990s and that he was notified that the Bank was not in disposal of acts dated before 2000. He stated that in accordance with Article 319 of the Company Law, the Statute is an act of permanent nature and it should be kept, and the 1989 Banking Act provides for that founders are entitled to proportional gains so that a share is determined as participatory. He stated that a proceeding shall be filed out of the Bank for the failure of the Bank to keep acts dated 1990s.-----

In view of the fact that nobody took the floor, the Chairperson put for vote the Decision Amending the Statute of Stopanska Banka AD Skopje, and the Consolidated Text of the Statute of Stopanska Banka AD Skopje. The Shareholders or their representatives voted publicly, by show of hands. For the proposed Decision Amending the Statute of Stopanska Banka AD Skopje and the Consolidated Text of the Statute of Stopanska Banka AD Skopje, Shareholders or their representatives voted with **16,524,791 votes FOR, 6,489 votes AGAINST and 0 ABSTAINING votes.** -----

The Chairperson concluded that the Assembly adopted the Decision Amending the Statute of Stopanska Banka AD Skopje, and the Consolidated Text of the Statute of Stopanska Banka AD Skopje with majority of votes, **and it constitutes Appendix B to this Minutes found in the file documents.**-----

Then item five of the Agenda proceeded – Adoption of Decision on Appointing a New Member of the Supervisory Board.-----

The Chairperson informed the Shareholders that a Resignation Letter was submitted to the Shareholders Assembly by Mr. Dimitrios Christopoulos, a member of the Supervisory Board. The signature of the member of the Supervisory Board on the Resignation Letter was notarized accordingly. Thus, the Shareholders Assembly confirmed his resignation entering it in the Minute. Considering the fact that the resignation of Mr. Dimitrios Christopoulos, a member of the Supervisory Board, a position is vacant in the Supervisory Board of the Bank, it is proposed to appoint Mr. Christos Christodoulou as a new member of the Supervisory Board. Pursuant to point 22 of the Decision of the National Bank of the Republic of North Macedonia on the Rules of Good Corporate Governance in a Bank, the Supervisory Board shall be obliged to notify the Shareholders Assembly on the results of the evaluation of suitability of the candidate for a member of the Supervisory Board, and for that purpose the Chairperson informed the Shareholders that the Supervisory Board positively evaluated the suitability of Mr. Christos Christodoulou at its first meeting held on 30.01.2020. Mr. Christodoulou is Chief Financial Officer and member of the Executive Committee of the National Bank Group of Greece. Taking into consideration his education, experience and expertise, it is expected that Mr. Christos Christodoulou's membership to contribute to the work of the Supervisory Board of the Bank. According to the Bank's Statute, the members' mandate in the Supervisory Board is determined to 4 (four) years. The Chairperson highlighted that in accordance with the Banking Law, the proposed nomination shall take effect as of the time of obtaining a relevant consent by the Governor of the National Bank of the Republic of North Macedonia.-----

The Chairperson opened a debate under this item.-----

In view of the fact that nobody took the floor, the Chairperson put for vote the Decision on Appointing Mr. Christos Christodoulou as a new member of the Supervisory Board. The Shareholders or their representatives voted publicly, by show of hands. For the Decision proposed, the Shareholders or their representatives voted with **16,531,280 votes FOR, 0 votes AGAINST and 0 ABSTAINING votes.**-----

The Chairperson concluded that the Shareholders Assembly adopted the Decision on Appointing Mr. Christos Christodoulou as a new member of the Supervisory Board unanimously, and it constitutes **Appendix C to this Minutes found in the file documents.**-----

Item six of the Agenda – Adoption of Decision on Reappointing a Member of the Supervisory Board proceeded.-----

The Chairperson explained that this Decision proposes that the Shareholders Assembly reappoint Mr. Anastasios Lizos as member of the Supervisory Board. Mr. Lizos was initially appointed member of the Supervisory Board in May 2005 and his current term expires in May 2020. Mr. Lizos was appointed on the position Head of the International Activities Division in the National Bank of Greece. Taking into consideration his experience as a member of the Supervisory Board and Audit Committee of Stopanska Banka, his profound knowledge of the Bank operations and corporate culture as well as his long experience in the field of audit, it is proposed that Mr. Lizos is reappointed member of the Supervisory Board for another term. The Chairperson informed the Shareholders that the Supervisory Board in its meeting held on 30.01.2020 provided positive suitability evaluation for Mr. Anastasios Lizos, current member of the Supervisory Board, for his reappointment member of the Supervisory Board. Pursuant to the Banking Law, the proposed appointment shall take effect as of the time of obtaining relevant consent by the Governor of the National Bank of the Republic of North Macedonia.-----

The Chairperson opened a debate under this item.-----

In view of the fact that nobody took the floor, the Chairperson put for vote the Decision on Reappointing Mr. Anastasios Lizos Member of the Supervisory Board. For the Decision proposed, the Shareholders or their representatives voted with **16,531,280 votes FOR, 0 votes AGAINST and 0 ABSTAINING votes.**-----

The Chairperson concluded that the Shareholders Assembly adopted the Decision on Reappointing Mr. Anastasios Lizos member of the Supervisory Board unanimously, and it constitutes **Appendix D to this Minutes found in the file documents.**-----

Item seven of the Agenda – Adoption of Decision on Reappointing member of the Supervisory Board proceeded.-----

The Chairperson informed the Shareholders that this Decision proposes that the Shareholders Assembly reappoint Mr. Ioannis Kagioulis member of the Supervisory Board. Mr. Kagioulis was initially appointed member of the Supervisory Board in February 2016 and his current term expires in April 2020. Mr. Kagioulis was appointed on the position Head of the International Corporate Credit Division in the

National Bank of Greece. Taking into consideration his experience and contribution to the operations of the Supervisory Board, and in particular matters concerning risk management and his exceptional knowledge of the entire operations of Stopanska Banka, it is proposed that Mr. Kagioulis is reappointed member of the Supervisory Board for another term. The Chairperson informed the Shareholders that the Supervisory Board in its meeting held on 30.01.2020 provided positive suitability evaluation for Mr. Ioannis Kagioulis for his reappointment member of the Supervisory Board, whereas the proposed appointment shall take effect as of the time of obtaining relevant consent by the Governor of the National Bank of the Republic of North Macedonia.-----

The Chairperson opened a debate under this item.-----

In view of the fact that nobody took the floor, the Chairperson put for vote the Decision on Reappointing Mr. Ioannis Kagioulis Member of the Supervisory Board. For the Decision proposed, the Shareholders or their representatives voted with **16,531,280 votes FOR, 0 votes AGAINST and 0 ABSTAINING votes.**-----

The Chairperson concluded that the Shareholders Assembly adopted the Decision on Reappointing Mr. Ioannis Kagioulis member of the Supervisory Board unanimously, and it constitutes **Appendix E to this Minutes found in the file documents.**-----

The Shareholders Assembly proceeded with item eight of the Agenda – Adoption of Decision on Reappointing an Independent Member of the Supervisory Board.-----

The Chairperson informed the Shareholders that this Decision proposes that the Shareholders Assembly reappoint Mr. Vladimir Filipovski independent member of the Supervisory Board. Mr. Filipovski was initially appointed member of the Supervisory Board in February 2016 and his current term expires in April 2020. Mr. Filipovski is a reputed Professor of the Faculty of Economics with St. Cyril and Methodius University in Skopje. Taking into consideration his significant contribution in the Supervisory Board operations, it is proposed that Mr. Filipovski is reappointed independent member of the Supervisory Board for another term. The Chairperson informed the Shareholders that the Supervisory Board in its meeting held on 30.01.2020 provided positive suitability evaluation for Mr. Vladimir Filipovski for his reappointment as independent member of the Supervisory Board, and explained that each appointment is subject to approval by the Governor of the National Bank of the Republic of North Macedonia.-----

The Chairperson opened a debate under this item.-----

In view of the fact that nobody took the floor, the Chairperson put for vote the Decision on Reappointing Mr. Vladimir Filipovski Independent Member of the Supervisory Board. For the Decision proposed, the Shareholders or their representatives voted with **16,531,280 votes FOR, 0 votes AGAINST and 0 ABSTAINING votes.**-----

The Chairperson concluded that the Shareholders Assembly adopted the Decision on Reappointing Mr. Vladimir Filipovski Independent Member of the Supervisory Board unanimously, and it constitutes **Appendix F to this Minutes found in the file documents.**-----

The Shareholders Assembly proceeded with item nine of the Agenda – Adoption of Decision on Reappointing an Independent Member of the Supervisory Board.-----

The Chairperson informed the Shareholders that this Decision proposes that the Shareholders Assembly reappoint Mr. Sasho Kjosev independent member of the Supervisory Board. Mr. Kjosev was initially appointed member of the Supervisory Board in February 2016 and his current term expires in April 2020. Mr. Kjosev is a reputed Professor of the Faculty of Economics with St. Cyril and Methodius University in Skopje. Taking into consideration his significant contribution in the Supervisory Board operations, it is proposed that Mr. Kjosev is reappointed independent member of the Supervisory Board for another term. The Chairperson informed the Shareholders that the Supervisory Board in its meeting held on 30.01.2020 provided positive suitability evaluation for the current member of the Supervisory Board Mr. Sasho Kjosev for his reappointment as independent member of the Supervisory Board, and explained that each appointment is subject to approval by the Governor of the National Bank of the Republic of North Macedonia.-----

The Chairperson opened a debate under this item.-----

In view of the fact that nobody took the floor, the Chairperson put for vote the Decision on Reappointing Mr. Sasho Kjosev Independent Member of the Supervisory Board. For the Decision proposed, the Shareholders or their representatives voted with **16,531,280 votes FOR, 0 votes AGAINST and 0 ABSTAINING votes.**-----

The Chairperson concluded that the Shareholders Assembly adopted the Decision on Reappointing Mr. Sasho Kjosev Independent Member of the Supervisory Board unanimously, and it constitutes **Appendix G to this Minutes found in the file documents.**-----

After the Chairperson concluded that all items of the Agenda are exhausted, she expressed her gratitude to the present Shareholders and to their proxies for their presence and participation in the work of the Assembly, and closed the Shareholders Assembly at 01:50 (one fifty) pm. -----

I hereby confirm that this Minutes is personally developed by me and I personally read to the Chairperson of the Shareholders Assembly, and notified of the legal consequences of such legal document. The Chairperson declared that she accepts the legal consequences arising from this legal document and that the content of this Minutes fully corresponds to the authentic situation at the Shareholders Assembly. -----

This Minutes is made of nine pages of nine sheets of paper. One copy was issued to the Chairperson, as well as one copy for Stopanska Banka AD Skopje, the National Bank of the Republic of North Macedonia, and the Central Register of the Republic of North Macedonia. Original copy of the Minutes is kept in my archive. -----

Notary fee under Tariff 27 of the Law on Court Fees amounting to MKD 500.00 has been duly charged. Notary award is calculated in an amount of MKD 10,000.00 in accordance with Article 41 of the Notary Public Tariff. -----

Participant in the procedure, Chairperson Ms. Natasha Trpenoska-Trenevska, signed

Zorica Pulejkova
Notary Public, signed

Round seal affixed: REPUBLIC OF NORTH MACEDONIA
ZORICA PULEJKOVA NOTARY PUBLIC
for the region of Basic Courts of Skopje City

I, NOTARY PUBLIC ZORICA PULEJKOVA
K. J. Pitu Blvd. No 15, loc. 6 Skopje
hereby certify that this copy is identical to the
original -----
This is first copy - complete – in an excerpt, to
which transcripts/no transcripts are attached
from the Annex of the notary public
document.

No ODU 149/20
In Skopje, 04.03.2020

NOTARY PUBLIC signed
Round seal affixed: REPUBLIC OF NORTH
MACEDONIA
NOTARY PUBLIC
ZORICA PULEJKOVA
for region of Basic Courts
of Skopje City – Skopje

Ref. to: Shareholders Assembly of Stopanska Banka AD – Skopje

Dated: 04.03.2020

Subject: Indication to response to posted shareholder’s question at 46th Shareholders Assembly of Stopanska Banka AD – Skopje

Dear Sirs and Madams,

I refer to the Shareholders Assembly with reference to the response to the shareholder’s question provided by Stopanska Banka AD Skopje (the Bank) and which is not based on legislation. The Report of questions and responses and results of the voting on the 46th Shareholders Assembly of Stopanska Banka AD – Skopje held on 19.11.2019, published on the Bank website (<https://www.stb.com.mk/media/2205/qa-izvestaj-rezultati-od-glasanje-od-46-to-sobranie-na-akc-19-11-2019-f.pdf>).

According to Article 391-b of the Company Law, the following question posted by a shareholder under No 5 is published on the website of the Bank:

“Why in the Proposal Decision Amending the Statute of Stopanska Banka AD – Skopje (referring to the rights to SB shares) preferred shares are only defined as cumulative preferred shares?”

The Bank in its response, in addition to providing explanation that the rights to preferred shares arise from the Decisions on Share Issue (n.c. which is in accordance with Article 7 of the Securities Law), invokes to Article 31 of the Securities Law defining that “the rights to ownership of securities shall be created upon subscribing the securities in the owner’s account in the Depository and they shall be transferred by subscribing them in the account of the new owner in the Depository,.....”.

The Bank erroneously invokes to Article 31 of the Securities Law referring to the right to ownership of securities or how the right to ownership is acquired, restricted and transferred, and not to the rights arising from securities, which are different types of right and therefore they are governed by different Articles and in different Chapters of the Securities Law. Based on erroneous and unfounded unification of the right arising from securities and the right to ownership of securities, the Bank concludes that:

In that term, the type or class of preferred shares, i.e. the fact that cumulative preferred shares are in question, in addition to the decisions on share issue, is determined by the documents issued by a competent institution (relevant statements issued by the Central Securities Depository), which is in fact stated in the proposed amendment to the Statute.

which is not in accordance with the regulation of securities. Namely, Article 50(1) of the Securities Law provides for that “The issuer is fully responsible for accuracy of the data on securities submitted to the Depository for registration.” Consequently, the securities issued are subscribed in the Central Security Depository based on the data submitted by the issuer, Stopanska Banka AD Skopje. As a result, it is unfounded and in opposition to the Law that the Bank in its official response to a shareholder’s question states that the class of preferred shares in addition to the decisions on share issue is determined by the documents issued by the Central Securities Depository.

In its response, the Bank provides another argument in support of preferred shares registration as cumulative preferred shares in the Central Securities Depository base, in terms that the securities are subscribed based on a written guarantee of an independent audit house that the Shareholder Book present fairly, in all material respects the situation of the Bank shares as on 23.11.2001 in accordance with the applicable regulations.

The Bank with this “evidence” also manipulates that the preferred shares are cumulative preferred shares by applying erroneous terminology.

Namely, when the Central Securities Depository AD Skopje was founded (on 10.10.2001), preferred shares were registered in a form of electronic record in the single valid base of the CSD as cumulative preferred shares, without voting rights. Consequently, cumulative preferred shares were registered in the CSD in a procedure under the CSD Operating Rules previously approved by the Securities and Exchange Commission. When submitting the documentation for securities subscription, the Bank received written guarantee by an independent audit house that the Shareholder Book present fairly, in all respects, the condition of shareholder stakes of the Bank on 23.11.2001 in accordance with applicable legislation.

Namely, as seen in the Report developed by the audit house Deloitte & Touche as of 23.11.2001, it expressed its opinion, and not a “guarantee” for fair presentation of the condition of the shareholder’s stakes, and additionally the audit fails to cover the types and classes of share issued, but it only covers the condition of shareholder’s stakes, and that the information contained in the Shareholder Book is responsibility of the Bank. As a result, the Bank may not make use of this argument as evidence that the preferred shares are cumulative preferred shares:

We have audited the Shareholder Book of Stopanska Banka AD Skopje (hereinafter referred to as the Bank) on November 23, 2001. The Shareholder Book and information contained are responsibility of the Bank Management. Our responsibility is to provide opinion on fair presentation of the data contained in the Shareholder Book based on the audit performed.

In our opinion, the Shareholder Book presents fairly, in all material respects, the condition of the shareholder stakes of the Bank on November 23, 2001 in accordance with the legislation applicable in the Republic of Macedonia.

Considering that legal obligation (Company Law) is in question of a joint stock company to respond to the questions posted by a shareholder and publish on its website the responses in fair and true manner, and to arise from the legislation relating to the concrete question, and not to be subjective and manipulative erroneously invoking articles of laws and actions of institutions.

Vlatko Tashkovski

Question No 1. *What does “the Shareholders” in Article 18(2) of the Proposal Decision Amending the SB Statute mean (related to the rights arising from the shares), indicating that “SB Shareholders shall have the right to participate in the gains...”.*

Incompliance of the SB Statute with Articles 278 and 287(1) point 4 of the Company Law

Second issue of SB shares occurred in 1991 when the Company Law did not exist (first Law was adopted in 1996) and the shares were issued based on the Securities Law (Official Gazette No 64/89) where the right to participation in gains is defined in Article 13 reading “A holder of share shall acquire the right to participate in the gains and depending on the type of share, he/she may also have the right to participate in the management”.

The Law on Banks and other Financial Organizations (Official Gazette No 10/89) applicable in the time of issue of the shares governs the manner of allocation of the gains in banks, Article 53 “Part of the operating incomes of the Bank, after the financial statement, remaining after payment of the Bank expenses and distribution of the assets for the working community, shall be presented by the Bank as realized profit.

5. Determination of the Bank Income and Profit

Article 52

The Bank shall determine its incomes and its distribution in accordance with the Federal Law.
The Bank shall from the realized income cover its expenses and provide funds for the working community, in accordance with the Federal Law.

Article 53

Part of the operating incomes of the Bank, after the financial statement, remaining after payment of the Bank expenses and distribution of the assets for the working community, shall be presented by the Bank as realized profit.

The profit referred to in paragraph 1 of this Article, based on decision adopted by the Bank Assembly, shall be distributed as follows:

- 1) Part for the reserves of the Bank;
- 2) Part allocated to the founders, proportionally to the assets invested in the founding fund;
- 3) Part that may be invested in other Bank’s funds.

The Bank working community may participate in the profit of the Bank based on a decision of the Bank Assembly.

The profit referred to in paragraph 1 of this Article, based on a decision of the Bank Assembly, shall be allocated as follows:

- 1) Part for the reserves of the Bank;
- 2) Part distributed to the founders, proportionally to the assets invested in the founding fund”.

What is a “founding fund?”

Article 34 point 2) of the Law on Banks and other Financial Organizations (Official Gazette No 10/1989) that applied in the time of adoption of the Decision on Second Issue

Article 34

The Bank founding fund shall be established by the Bank founders' assets and the assets invested by other parties, in accordance with the Decision on Incorporation of the Bank or decisions of the Bank Assembly.

For the assets invested in the founding fund, the founders shall receive adequate securities, in accordance with the Federal Law and Decision on Incorporation of the Bank.

Zorica Pulejkova
Notary Public, signed

Round seal affixed: REPUBLIC OF NORTH MACEDONIA
ZORICA PULEJKOVA NOTARY PUBLIC
for the region of Basic Courts of Skopje City