

AD BANJALUČKA PIVARA  
BANJA LUKA

- AD Assembly -

No: 02-28/2013

Date: 7<sup>th</sup> October 2013

On the basis of Resolution of the Shareholder Assembly No. 01-177/2013 of 3<sup>rd</sup> October 2013, Article 280 of the Law on Business Companies (Official Gazette of the Republic of Srpska, No. 127/08, 58/09, 100/11 and 67/13), the Management Board of AD Banjalučka Pivara, Banja Luka, at its ordinary session held on 7<sup>th</sup> October 2013, hereby establishes a revised text of the following:

**RULE BOOK ON WORK OF THE ASSEMBLY  
OF JOINT STOCK COMPANY BANJALUČKA PIVARA, BANJA LUKA**

**I INTRODUCTORY CLAUSES**

**Article 1**

The Rule Book of Work of the Assembly of the Joint Stock Company BANJALUČKA PIVARA, Banja Luka, (hereinafter: the Rule Book) regulates: preparation and convening of sessions, the way of work and the way of exercising of voters' and other rights of the shareholders at the Assembly of the Joint Stock Company BANJALUČKA PIVARA Banja Luka (hereinafter: the Assembly), as well as all other issues which are not regulated by laws, regulations and the Articles of Association.

**Article 2**

The Assembly session is to be held once a year – annual Assembly.

Annual Assembly is convened by the Management Board, not later than 6 months upon completion of the business year to consider and decide on the issues as foreseen by the law, other regulations and the Articles of Association.

Extraordinary Assembly is convened in the cases, in the manner and by the party or an individual as regulated by the law and the Articles of Association.

**Article 3**

Assembly sessions are public, except in the cases as regulated by the law.

As a rule, Managing Director or Management Board members and Independent Auditor are present and participate in the work of Assembly sessions, without decision-making rights. Managing Director will provide presence of the Executive Board members at the Shareholder Assembly.

The right of participation and right to vote at the Assembly is exercised on the basis of Central Registry list of shareholders, which contains designation of shares, data on owners of shares, number and nominal value of shares, as of the tenth day prior to the date of holding the Shareholder Assembly session, which is published, on that day, in the invitation notice to the Shareholder Assembly session.

The list of shareholders referred to in paragraph 3 of this Article must be available at the seat of the company to all the shareholders, who have the right of vote at the Assembly, in order to exercise the right of insight and copying, as well as possibility of making objections to any irregularities on the list.

## **II PREPARATION AND CONVENING OF AN ASSEMBLY SESSION**

### **Article 4**

Preparation of Assembly sessions is done by the Management Board of the Company.

For that purpose, the Management Board will:

- Define proposals of documents and acts, bringing of which is in the competence of the Assembly,
- Define proposals of resolutions to be voted on at the Assembly,
- Adopt the resolution on convening the session, which contains: the date, place and time of holding the Assembly session, the Agenda, information on daily papers in which the convening of the Assembly will be announced, as well as the date, place and time of the repeated Assembly session, if the session is not held due to the lack of quorum.

### **Agenda**

#### **Article 5**

At the Assembly session, decision-making to take place may only be about Agenda points, which have been duly published and included into the Agenda in accordance with the Law and Articles of Association.

Management Board will include into the Agenda primarily those issues which, under the law, Articles of Association or other general act, are mandatory discussed by the Assembly, as well as other issues, if there is a justified need for the Assembly to discuss them.

A shareholder or shareholders, having not less than 10% of shares with voting rights, may, within 7 days from the date of announcement of invitation notice for the annual Assembly, and, within 5 days from the date of invitation notice for the extraordinary Shareholder Assembly, request from the Management Board to include at the most of two new items on the Agenda for the Shareholder Assembly, with proving the reasons for it. The Management Board should inform the proposing party, in writing, about acceptance or rejection of proposals of the shareholders regarding the amendments or proposals upon the already incorporated item on the Agenda.

Management Board of the company decides on amendment of the Agenda under the previous paragraph within 72 hours from receiving the request.

### **Working bodies**

#### **Article 6**

Working bodies of the Assembly are Voting Commission, Minute-Taker and Two Certifiers of Votes, appointed by President of the Assembly.

Voting Commission consists of 5 members.

Members of the Commission can be shareholders, persons employed at the company regardless to whether they are shareholders, as well as persons employed by special agreements.

Voting Commission tasks are to establish:

- The list of the shareholders present and represented shareholders, and their proxies and verify the identity of proxies, including those shareholders that have chosen to vote in writing, with allocating the nominal value and class of shares, as well as the number of votes belonging to them on the basis of those shares,
- Validity of the registration form of each of the shareholders present or represented shareholders,
- Total number of votes of and the number of votes of each of the shareholders present or represented shareholders,
- Check the validity of delegation, that is, of the given powers of attorney,
- Confirm the existence of quorum for the work of the Assembly, as well as quorum for decision-making about individual points of the Agenda,
- Count the votes,
- Establish and announce the results of voting,
- List of shareholders present and represented shareholders with the registration paper and submits voting ballots to the company's archive for safekeeping,
- Performs other work in accordance with rules of procedure of Shareholders Assembly.

Voting Commission submits a signed written Report about its work and makes the list under Line 1 of the previous paragraph available to the shareholders present and their proxies.

Voting Commission starts with registration of shareholders not later than 1 (one) hour prior to the time determined for the beginning of the Assembly session.

## **Article 7**

To every shareholder, or shareholder's representative, who has registered for being present at the Assembly, the Voting Commission will give a voting card with an identification number, voting ballots if voting is performed at this session using voting ballots and it fills in the registration form.

The registration form will contain: the number and date of the Assembly session, a photocopy of the identification document of the shareholder, or their representative, a last name and name of the shareholder as well as a last name and name of their representative (if the shareholder exercises their right to vote in this way), the number of shares - votes at the disposal of the shareholder or their representative (according to the Book of Shareholders as of the day on which the Assembly session is convened) and the number of the voting card.

Voting ballot will contain:

- Corporate name of the company, date and time of holding the Assembly session,
- Items voted on as per the Agenda order,
- Provision on voting on each item in terms of "FOR", "AGAINST" or "ABSTAINED FROM VOTING"
- In the case of voting for members of the Management Board, the name of each candidate and name of the body which the candidate is elected to.

The registration form, together with the list of participants, will be attached to the Assembly session Minutes.

## **Article 8**

Minute-taker keeps the Minutes of Assembly sessions and he/she is appointed by the Assembly President, except in the cases when the law sets out that the Minutes of the Assembly must be kept by a notary.

Minute-taker can be a shareholder or a person employed at the company, regardless whether the person is a shareholder, provided that this is a person who has knowledge and experience in performance of this task.

Certifiers of votes must be shareholders of the company.

### **Convening of the Assembly**

#### **Article 9**

Convening of the Assembly session is done by an invitation notice, setting out the time and place of its holding, proposal of the Agenda as well as other data, as set out by the law.

Management Board is obliged within 8 (eight) days from the date of publication of the invitation notice convening the Shareholder Assembly, to inform, about convening the Assembly, the persons representing the shareholders (proxies or shareholder association), who have achieved, at the last Shareholder Assembly session, voting rights for the shareholders, as well as the shareholders who have requested it in advance. Management Board is considered to have fulfilled this obligation of notification as of the date of sending, by a registered mail or e-mail.

Invitation notice to the session under paragraph 1 of this Article is to be published on the website of the company and in not less than two daily papers, which are sold on the whole territory of the Republic of Srpska, not less than 30 days and at the most of 60 days prior to holding the Assembly, in the case of an annual Assembly, and not less than 15 days and at the most of 30 days prior to holding the Assembly, in the case of an extraordinary Assembly.

Publication of invitation notice to the Assembly on the website of the company lasts, without interruption, from the date of publication until the date of holding the Assembly.

Notification of convening the Assembly is also delivered to the Stock Market in line with the Stock Market Rules.

### **Material**

#### **Article 10**

Proposals of resolutions and other material, which the shareholders will vote on, will be provided at the disposal of all shareholders, free of charge, at the Assembly session, regardless to the number of votes they have or represent, under the condition that not later than 8 (eight) days prior to the Assembly session, they confirm in writing their participation at the Assembly to the Company's Management Board.

The shareholder, that is, their representative – proxy will take the material referred to in the previous paragraph from the Voting Commission, at the time of registration and will return it to the Commission upon the end of the Assembly session, together with the voting card.

The shareholder or the person representing or presenting shareholders will be provided with access to the material referred to in paragraph 1 of this Article, not later than on 10<sup>th</sup> day upon announcement of the invitation in the premises of the Company in Banja Luka, every workday during working hours.

The material referred to in paragraph 1 of this Article is obligatory delivered to the shareholder who, on the day of convening the Assembly, has or represents at least 10% of the share capital. The delivery is done directly or by post, to the address that is given in the Book of Shareholders.

If the Assembly decides on changes of the Articles of Association, in the announced invitation for convening of the Assembly, the place of the text of the Articles of Association to be changed is marked.

### **III PROCEDURE OF WORK OF THE ASSEMBLY**

#### **Article 11**

The Assembly session will be open at time set forth in the announcement and at latest 15 minutes after this time.

#### **President of the Assembly**

#### **Article 12**

Assembly President is elected by the Assembly, by a majority of votes of the shareholders present, including those shareholders who have decided to cast their vote in a written form.

The Management Board shall propose a candidate for a President.

The elected President of the Assembly will undertake the chairmanship of the Assembly immediately upon the announcement of the results of elections voting.

#### **Article 13**

In his capacity, the President of the Assembly will:

- Chair and manage the Assembly session,
- Keep the order at the Assembly sessions and decide on measures for distraction of work of the Assembly,
- Sign the Minutes and acts adopted by the Assembly,
- Perform other tasks in accordance with the Law, Articles of Association and this Rulebook on Work.

#### **Establishing of the Quorum**

#### **Article 14**

Prior to the beginning of work on every point of the Agenda, the Assembly President will ask the Voting Commission to submit the Report on establishing the quorum and provide an insight into the List of the shareholders present and represented shareholders and their proxies.

Voting Commission report is not to be voted on.

The data to be included into the Minutes are data from the Central Registry Report – the Book of Shareholders of the Company as of the tenth day prior to the day of holding the Shareholder Assembly session, on the total

number of shareholders and the total number and nominal value of shares with the voting right, as well as of the number, nominal value, class of shares and the number of votes of the shareholders present and represented shareholders and the statement of the Assembly President on existence or non-existence of decision-making quorum.

#### **Article 15**

The President will announce the number of majority votes necessary to adopt the proposal of resolution on every point of the Agenda.

Regular procedure of work and decision-making will include discussion on the material and discussion on the proposal of Resolution as well as voting on the Resolution proposal.

The President will start the discussion and ask the present to take the floor. Everyone who asks to speak must introduce themselves and precisely define their proposal to the Assembly, so the Assembly could vote on that proposal. Upon discussion, in the case where the proposal is not sufficiently precise and clear, the President will invite the person giving the proposal to give details of their proposal. The President will not request voting for proposals which, even after repeated explanation, are neither precise nor clear enough for the Assembly to vote on them.

The President can limit the duration of discussion to a certain period of time.

If the shareholders propose a change or amendment of the proposal of resolution, it is to be first voted on this change or amendment.

Shortened procedure of work and decision-making consists of voting on the proposal of resolution, without prior discussion.

#### **Article 16**

The shareholder is to vote at the Assembly session on the proposal of resolutions by voting 'for' or 'against' and they can also abstain from voting.

The shareholder, who has decided to cast their vote in a written form, is obliged to submit a written document about that not later than a day prior the beginning of the session, and not later than the beginning of work of the Voting Commission. The statement on voting contains: the name and last name of the shareholder, Personal Identification Number (JMBG) or registration number of the legal entity, full title of the point on the Agenda and the statement of whether they cast their vote on 'for' or 'against' the proposal of resolution, or whether they are 'abstained', with signature, that is, the signature of the legal representative and certified by the Company stamp.

Voting is done using voting ballots and publicly - by putting up of voting cards.

Voting, by way of using voting ballots, at the Assembly session is done by circling a "for", "against" or "abstained from voting" on the voting ballot for each individual item, whereas voting for the Management Board members is done by circling the number in front of the candidates' names on the voting ballot, for as many candidates as are elected to the Management Board.

After each voting, Voting Commission counts the votes, determines and publishes the voting results.

Public voting at the Assembly sessions is performed in such a way that the President invites the present to vote on 'for' and these votes are counted, and then he invites the present to vote on 'against', and then these votes are counted. The difference between the number of votes of the present at the session and the sum of votes on 'for' and 'against' is considered to be abstained votes. Upon the end of voting, the Voting Commission

determines the voting results, whereas the President makes them public and announces them. The voting results are determined based on the number of votes on 'for' in favor of the proposed resolution.

The proposal of resolution is accepted if a majority of votes were cast in favor of the proposal, as under the Articles of Association, that is, the law.

Upon the final determination of voting results, the President will announce at the session which resolution was adopted by the Assembly.

#### **Article 17**

A shareholder exercises the right to vote in person or by a proxy. Voting in person implies participation in the work of the Shareholder Assembly or voting in writing.

In the case that a shareholder wants to vote in writing, the Company's Management is obliged to provide the shareholder with it, in an adequate manner (by accepting delivery of written documents by post and electronic voting in absence).

A shareholder may give a power of attorney for representation. The power of attorney may be given to a business capable physical or legal person of age.

Power of attorney is provided in writing and it also must be certified with a competent body or an authorized person in the company. A copy of the power of attorney must be provided to the Company.

The power of attorney may be issued for one or several Shareholder Assemblies, for a limited period of time or irrevocably.

Power of attorney for representation at the Shareholder Assembly should particularly contain the following data:

- Data on the owner (owner of shares) and proxy (full name and last name or the name of the legal person, JMBG or registration number of the legal person and address of residence, i.e. the seat),
- Data on the number, type and class of shares for which the power of attorney is given,
- Limitations of the power of attorney,
- Duration of the power of attorney,
- Power of attorney may also contain instruction for voting.

Association of shareholders may represent a shareholder at the Shareholder Assembly on the basis of a written contract by which the shareholder has transferred to him realization of all or certain voting rights under their shares or on the basis of a set out certified written power of attorney.

In the case that the right of vote is realized by a proxy, the proxy cannot be Managing Director, member of the Management or Executive Boards, Audit Board or Internal Auditor, though, in the case of voting in writing, the shareholder authorizes Assembly President to, at the Shareholder Assembly session, read his/her position regarding each point on the agenda at the Shareholder Assembly. Shareholder Assembly President may transfer this authorization to the Voting Commission.

The company ensures possibility of checking whether the proxy, as per individual points on the agenda, has voted in line with the contents of the power of attorney, which the shareholder has used to authorize the proxy for voting.

#### **IV POSTPONEMENT, INTERRUPTION AND CONCLUSION OF THE ASSEMBLY**

##### **Article 18**

A convened session is postponed when the reasons occur that disable holding of the session at the agreed time.

The session is also postponed when the President, after opening of the session, establishes that not a sufficient number of shareholders votes is present at the session, which is necessary for the valid decision-making.

The session is postponed by the President.

##### **Article 19**

The session is terminated:

- For recess during the session,
- When, during the session, the number of shareholders present abandon the session, which results in impossibility of valid decision-making,
- When there is a severe violation of order at the session, and when the President is not able, by using certain measures, to restore order for the work of session.

The session is interrupted by the President.

The interrupted session is to be continued not later than 3 days from its interruption. The continuation of the session will be set by the Assembly President at the same time with the decision on interruption.

##### **Article 20**

Upon the completed hearing and decision-making on all issues of the Agenda for the session, the President determines that the session is concluded. The concluded session cannot be continued.

#### **V KEEPING OF ORDER AT THE SESSION**

##### **Article 21**

For the violation of regulated order at the session, the present can be given:

- Warning,
- Prohibition from speaking,
- Removal from the session.

Warning will be given to the person present, who by their behavior or speech at the session violates the regulated order, that is, distracts and obstructs the work of the Assembly: by deviating from the Agenda, by not respecting limitations in the discussion, interrupts others while discussing, insults other persons present and such.

Prohibition from speaking will be given to the person who has already been given a warning at the same session.

Warning and prohibition from speaking will be given by the President and the Assembly will decide on removal from the session by a majority of votes of the shareholders present.

Data on the given actions are recorded in the Minutes.

## **VI ASSEMBLY ACTS**

### **Article 22**

The Assembly Acts are: general acts, resolutions, decision, conclusions and recommendations.

General act and resolutions regulate the issues of business operations and the status of the company.

Decisions regulate the rights and obligations of the individuals.

Conclusions regulate procedural issues and issues for which the Assembly is competent only to discuss them.

Recommendations express the opinion of the Assembly on certain issues of work of the Company.

## **VII ASSEMBLY SESSION MINUTES**

### **Article 23**

Minutes is kept at the Assembly session, which must contain: marking of the ordinal number of the session, the date and the place of holding the session, the time of the beginning and end of the session, personal name of the person chairing the session, the minutes-taker, the Agenda for the session, result of voting for every point on the Agenda, statement of the President on adopting a resolution and the text of the adopted resolution, separate opinions of individual shareholders. The Minutes is recorded by a minutes-taker. In the cases when this is set out by the law, Minutes of the sessions and/or individual points of the Assembly sessions is kept by a notary and it contains the obligatory elements as set out by the Law on Notaries of the RS ("RS Official Gazette" No. 86/04, 2/05, 74/05, 91/06, 37/07, 50/10 and 78/11).

Discussion and proposal of the shareholder is included into the Minutes in a summarized form, which in its essence reflects the discussion, only if the discussion had, as a result, voting on that proposal, amendment and such.

Not later than within 15 (ten) days from the day of conclusion of the Assembly session, the Minutes is to be signed by the Assembly President and the Minute-Taker.

The original Minutes of the session is kept in the Company, and the shareholders and persons who have a legal interest have the right of access to the minutes in the business offices of the Company and in the presence of the Minute-Taker.

The minutes of the previous session is adopted in the next ordinary session, by a simple majority vote of the shareholders present.

## **VIII FINAL CLAUSES**

### **Article 23**

This Rule Book on Work of the Assembly is to be effective as of the date of publication on the notice board of the company.

By coming into effect of this Rule Book on Work, the Rule Book on Work of the Shareholder Assembly of AD Banjalucka Pivara AD Banja Luka, No. 02-04/2013 of 30<sup>th</sup> May 2013 is put out of effect.  
Changes and amendments of the Rule Book of Work are adopted by the Assembly, in a way set out for its adoption.

MANAGEMENT BOARD PRESIDENT  
Ragnar Tryggvason