



Svetog Save 14
11000 Beograd
Registry No. 07737068
Business code: 06419

Belgrade
27.04.2017

Pursuant to the Article 76 of the Law on Banks (Official Gazette RS, Nos. 107/2005, 91/2010 and 14/2015), Article 65 of the Law on Capital Market (Official Gazette RS, Nos. 31/2011, 112/2015 and 108/2016) and Article 31 of Komercijalna Banka AD Beograd Article of Association (the revised text), Komercijalna Banka AD Beograd, 14 Svetog Save St, 11000 Belgrade, hereby declares

**REPORT FOR SHAREHOLDERS AND PUBLIC
REPORT OF THE REGULAR MEETING OF BANK'S SHAREHOLDERS**

I

The regular general meeting of the Komercijalna Banka AD Beograd shareholders (hereinafter: „General Meeting of Shareholders“ and the „Bank“) was held on **27.04.2017** in Belgrade, 14 Svetog Save St, commencing at **10.00 hours**.

II

The following decisions were passed at the regular General Meeting of Bank's Shareholders:

1. Decision on Adoption of the Strategy and Business Plan of the Bank covering the period 2017-2019,
2. Annual Report on Operation of the Bank for 2016 and the Report and Opinion of the External Auditor on Performed Audit of 2016 Regular Financial Statements of Komercijalna Banka AD Beograd:
 - a. Decision on Adoption of the Annual Report on Operation of Komercijalna Banka AD Beograd and Regular Financial Statements with the External Auditor's Opinion for 2016;
 - b. Decision on Allocation of a Portion of Non-Allocated Profit from Earlier Years for Dividends on Preferred Shares of the Bank;
 - c. Decision on Coverage of Loss from 2016,
3. Decision on Adoption of the Annual Report on Operation and Consolidated Financial Statements of Komercijalna Banka AD Beograd Banking Group with the External Auditor's Opinion for 2016,
4. Decision on Amendments and Supplements to the Komercijalna Banka AD Beograd Articles of Association (the revised text).

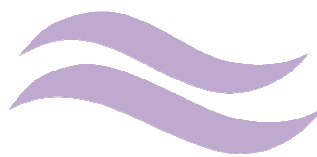
KOMERCIJALNA BANKA AD BEOGRAD

Member of the Executive Board
Miroslav Perić

President of the Executive Board
Alexander Picker, PhD

DECISION

On Amendments and Supplements to the Articles of Association
of Komercijalna Banka AD Beograd (revised text)





KOMERCIJALNA BANKA AD BEOGRAD

GENERAL MEETING OF THE BANK'S SHAREHOLDERS

Number:9760/4

Belgrade, 27.04.2017

Pursuant to Article 66 of the Law on Banks and Article 14 of the Articles of Association of Komercijalna Banka AD Beograd (revised text), the General Meeting of Shareholders of Komercijalna Banka AD Beograd, at its regular session, held on 27.04.2017 adopted the following

DECISION ON AMENDMENTS AND SUPPLEMENTS TO THE ARTICLES OF ASSOCIATION OF KOMERCIJALNA BANKA AD BEOGRAD (Revised text)

Article 1

In the Statute of Komercijalna Banka AD Beograd (the revised text), established by the Executive Board of Komercijalna Banka AD Beograd on July the 1st 2015, under the No. 14397, in the Article 6, Paragraph 1 is amended and reads:

“The Bank may set up organisational units in accordance with the law:

1. branches on the territory of the Republic of Serbia,
2. abroad,
 - a. branches,
 - b. business units,
 - c. representative offices.”

Article 2

In article 8 after the words”abroad” the words “without the status of a legal entity” are added.

«

Article 3

In Article 10, Paragraph 1, after item 1, new items 203 are added and read:

- “2. business centres;
3. business corporate centres;”

Current items 2-6 become items 4-8.

Article 4

In the Article 12 paragraph 2 shall be deleted.

Existing paragraph 3 shall be paragraph 2.

In the existing paragraph 3, which shall become Paragraph 2, words “the committees referred to in the preceding paragraph” shall be replaced by words “these committees”

Article 5

In the Article 14, Paragraph 1, Item 4, after the words> »in other legal entities« a coma will be added followed by the words „including the approval of subordinated loan, which shall represent a component of capital or supplementary capital of these entities“

Article 6

In the Article 20, Paragraph 2, Indent 3, following the word “Banks”, the words »and in the part that refers to the approval of subordinated loan. «

Article 7

In the Article 21, Paragraph 3, word »and« shall be replaced by the word “with”.

Article 8

In the Article 24, paragraph 5, words »and whose representatives are proposed by the Board of Directors« shall be replaced by words “and whose representatives are proposed in the Board of Directors«

Article 9

In Article 27, Paragraph 1, Item 24, after the indent (b) a new indent (c) is added and reads:

“member of the Audit Committee”.

Current indents c-f become indents d-g.

In the same article and paragraph in the Item 26, instead of the punctuation mark »full stop and coma«, a coma will be placed followed by the words »and decisions on disposal of assets acquired by collection of receivables over the amount established by this Item«

After the Item 26, a new Item 27 shall be added, so as to say:

»27. Appoints and releases from duty the Corporative Secretary of the Bank; «

The existing Item 27 shall become Item 28.

In the same Article, in paragraph 2, instead of words: »or some other body of the Bank« shall be replaced by the words »other body of the Bank or employee of the Bank«

Article 10

Words »at least« in the Article 29, Paragraph 2, shall be deleted.

Article 11

Article 30 shall be amended so as to say:

» Article 30

The Bank's Executive Board shall comprise of the President of the Executive Board, a Deputy President of the Executive Board and at least three members.

President of the Executive Board represents the Bank and acts as its agent in accordance with the provisions of articles 54 and 55 of these Articles of Association. President of the Executive Board shall run the work of the Executive Board and is responsible for executing decisions from the competence of the Executive Board.

Deputy President of the Executive Board shall replace the President in cases of the latter's absence, and shall perform the activities by order of the Executive Board's President.

President, Deputy President and members of the Executive Board shall perform the activities within the competence set forth by general Bank by-law, and shall be responsible for carrying out such activities and the decisions of the Executive Board in the segment falling within their scope of competence.

The term of office of the Bank's Executive Board members, including the President and the Deputy President of the Executive Board, shall be four years as of the date of his/her appointment.

The Board of Directors shall release from duty a member of the Executive Board before expiry of the term of his/her appointment:

1. At the personal request of the Executive Board member
2. At the proposal of the Board of Directors.
3. If, after the appointment, circumstances should arise due to which such person no longer meets the conditions required for a member of the Executive Board, provided for by the law and regulations of the National Bank of Serbia.

The term of office of the Bank's Executive Board member appointed after the release from duty of the member of the Executive Board according to the previous paragraph, shall be four years as of the date of his/her appointment.

In case of release from duty or resignation of the member of the Executive Board, he/she shall continue to perform the function in the transitional period until the appointment of a new member of the Executive Board who obtained the prior approval of the National Bank of Serbia, if that would be necessary in order to maintain the legally required minimum number of the Executive Board members, provided that the period from passing the decision by the Board of Directors on release from duty until the date of coming to force of such decision cannot exceed three months.

The provisions of Article 25a of this Statute shall also apply to the Executive Board. »

Article 12

In Article 31, Paragraph 3, Item 16, instead of the punctuation mark "full top and comma" a comma is entered and the following words are added: "as well as the decisions on the use of foreclosed assets up to the amount set in this item."

Article 13

A new paragraph shall be added to the Article 32 so as to say:

»Quorum for work and decision-making of the Executive Board shall be if the session is attended by majority of the total number of the Executive Board members. «

Current paragraphs 1-2 shall be paragraphs 2-3.

Article 14

A new paragraph shall be added in the Article 35, which shall read as follows:

»Quorum for work and decision-making of the Committee for Monitoring the Bank's Operation (Audit Committee) shall be if the session is attended by the majority of the total number of members of the Bank's Audit Committee. «

Existing paragraphs 1-2 shall become paragraphs 2-3

Article 15

Words in the Article 36, paragraph 1: »shall be formed in the Bank« and word: »to« shall be deleted, while the word» to perform« shall be replaced by the word: «perform«.

In paragraph 2, after the words: »Credit Committees shall be« and the words: »may be formed « shall be added.

In paragraph 3, after item 1, a new item 2 shall be added so as to say:

» 2. Pass decisions on risk loans, funds acquired through collection of receivables and write-offs of claims, and do so up to the determined limits of decision-making;

The existing Item 2 shall become item 3, and the existing item 3 is deleted.

In the same paragraph, in the item 4, words: »at request« shall be deleted by the words: »established by the decision«.

Article 16

In the Article 37, paragraph 1 shall be amended so as to say:

„The Credit Committee consists of: “

In the same Article, paragraph 4 shall be amended so as to say:

„Term of office of the credit committee shall be established by the decision made by the Board of Directors appointing the members of the credit committee. Paragraph 5 shall be amended so as to say:

„Member of the credit committee may be released from duty at any time by the decision made by the Board of Directors. Membership in the credit committee may cease upon resignation of a member of the credit committee, release from his/her function in the Bank which served as the ground for his/her selection as a member of the credit committee, or upon termination of employment in the Bank. “

A new paragraph 6 shall be added after paragraph 5, which shall read as follows:

„Quorum for work and decision-making of the credit committee will be if the session is attended by majority of the total number of credit committee members. “

Existing paragraphs 6-7 shall become paragraphs 7-8.

In the existing paragraph 7, which shall become paragraph 8, the word: „Rules of Procedure “shall be replaced by the word: „Rulebook “and the words: „credit committees “shall be replaced by the words “credit committee“.

After the existing paragraph 7, which shall become paragraph 8, a new paragraph 9 shall be added so as to say:

„The Board of Directors may, by decision, authorise the Executive Board to partially transfer powers that are under the competence of credit committees, and may do so up to certain established limits, to other persons, or other committees of the Bank.“

Article 17

A new paragraph 4 shall be added in the Article 38, after paragraph 3, which shall read as follows:

„Quorum for work and decision-making of the Assets and Liabilities Management Committee shall be if the session is attended by majority of the total number of members of the Asset and Liabilities Management Committee“.

Existing paragraphs 4-5 shall become paragraphs 5-6.

Article 18

Sub-title „7.OTHER COMMITTEES“ and articles 38a, 38b and 38v „, shall be deleted.

Article 19

New items 2 and 3 shall be added in the Article 56, paragraph 1, which shall read as follows:

- „2. Directors of business centres“
- 3. Directors of corporative centres“

Existing items 2- 3 shall be come items 4-5.

Article 20

The Executive Board of the Bank is hereby authorised to establish the revised text of the Bank's Statute.

Article 21

This Decision shall come to force on the date of its adoption and upon obtaining the approval of the National Bank of Serbia of this Decision.

CHAIRWOMAN OF THE GENERAL
MEETING OF THE BANK'S
SHAREHOLDERS

Jovanka Kosanović