

**REGIONAL DEVELOPMENT AGENCY
JUŽNI BANAT LTD PANČEVO**

Karadjordjeva 4
26000 Pančevo

Pursuant to the provision of Article 34 paragraph 1 of the Law on Regional Development (Official Gazette of the Republic of Serbia No. 51/09, 30/10 and 89/15 - the Law), Article 12 paragraph 5 of the Law on Companies ("Official Gazette of the Republic of Serbia", No. 36/2011, 99/2011, 83/2014 - other Law and 5/2015), Article 25, paragraph 2 of the Agreement on the Establishment of the Regional Development Agency Južni Banat Ltd. Pančevo, certified in the Basic Court in Pančevo under the number Ov. II br. 4/2017 dated January 20, 2017 and registered with the Business Registers Agency by Decision BD Decision 9111/2017 of 10.02.2017. in accordance with the Decision on modification of the Agreement on the establishment of the Regional Development Agency Južni Banat Ltd. Pančevo No. I-4 / 2017-4 of 03.10.2017. made by the founders - members of the Regional Development Agency Južni Banat Ltd Pančevo at the session held on October 3, 2017, the legal representative has prepared this

**CONSOLIDATED TEXT OF THE AGREEMENT ON FOUNDATION OF THE
REGIONAL DEVELOPMENT AGENCY JUŽNI BANAT LTD PANČEVO**

I BASIC PROVISION

Article 1

The Agreement regulates:

- 1) the business name and headquarters of the company;
- 2) the predominant activity of the company;
- 3) the total amount of the company's share capital;
- 4) the percentual share in capital for each member of the company;
- 5) the time for payment of the share capital;
- 6) the share of each member of the company in the total share capital expressed in percentages;
- 7) type and authorities of the company's organs;
- 8) representation of the company;
- 9) the duration and termination of the company;
- 10) other questions.

II BUSINESS NAME

Article 2

Business name of the Company reads:

REGIONALNA RAZVOJNA AGENCIJA JUŽNI BANAT DOO PANČEVO (hereinafter referred to as: Company)

Business name of the Company in English reads:

REGIONAL DEVELOPMENT AGENCY JUŽNI BANAT LTD PANČEVO
III HEADQUARTERS

Article 3

The headquarters of the Company is at the following address: Pančevo, Karadjordjeva 4.

IV SEAL

Article 4

The Company has a seal.

The seal of the Company is round, 30 mm in diameter, on which the text is written in Serbian Cyrillic alphabet, of the following contents: REGIONALNA RAZVOJNA AGENCIJA JUŽNI BANAT DOO PANČEVO.

V LOGO

Article 5

The Company has a logo.

The logo of the Company and its contents shall be prescribed by the Director of the Company by a special act.

VI ACTIVITY

Article 6

The main activity of the Company is:

70.22 Consultancy related to business and other managerial services.

The Company may perform other activities as well, in accordance with the Law. The company performs the following:

1) participates in the preparation and implementation of development documents and monitors their implementation at the level of the region and local self-government units;

- 2) cooperates with the bodies of the Autonomous Province of Vojvodina and local self-government units in the preparation and implementation of local development plans;
- 3) represents the interest of the region in relations with the Development Agency of Serbia and, within its competence, participates in the implementation of the adopted development documents;
- 4) prepares and implements programs of professional development contributing to advancement of companies and sole entrepreneurs, development of infrastructure and capacity building of institutions, organizations and local self-government units;
- 5) monitors and implements measures and development projects for which it is authorized;
- 6) performs activities of international, cross-border and inter-municipal cooperation within its competence;
- 7) keeps database of importance for the region and the district;
- 8) performs other tasks in accordance with the law and this Agreement.

VII SHARE CAPITAL

Article 7

The share capital of the company consists of subscribed and paid cash contributions in the total amount of 500,000.00 (in words: five hundred thousand) dinars.

Article 8

1. The founder, City of Pančevo, Trg kralja Petra I 2-4, VAT: 101049012, registration number: 08331537, registered and paid a cash deposit in the amount of 125,000.00 (in words: one hundred and twenty-five thousand) dinars, which is 25.00% share in the total share capital of the Company;
2. The founder, City of Vršac, Trg pobede 1, VAT: 100912619 registration number: 08267944, registered and paid a cash contribution in the amount of 87,500.00 (in words: eighty-seven thousand five hundred) dinars, which is 17.50% share in the total share capital of the Company;
3. Founder, Municipality of Kovin, Str. JNA 5, VAT: 101406134, registration number: 08135002, registered and paid a cash contribution in the amount of 62,500.00 (in words: sixty-two thousand five hundred) dinars, which is 12.50% share in the total share capital of the Company;
4. Founder, Municipality of Kovacica, Str. Maršala Tita 50, VAT: 100988231, registration number: 08154295, registered and paid a cash contribution in the amount of 50,000.00 (in words: fifty thousand) dinars, which is 10.00% share in the total share capital of the Company;
5. The founder, Municipality of Alibunar, Trg slobode 4, VAT: 101084202, registration number: 08060975, registered and paid a cash contribution in the amount of 37,500.00 (in words: thirty seven thousand five hundred dinars), which is 7.50% share in the total share capital of the Company;

6. The founder, Municipality of Bela Crkva, Str. Miletićeva No. 2, VAT: 100868214, registration number: 08108005, registered and paid a cash contribution in the amount of 37,500.00 (in words: thirty seven thousand five hundred) dinars, which is 7.50% share in the total share capital of the Company;

7. The founder, Municipality of Plandište, Str. Vojvode Putnika No. 38, VAT: 102002904 registration number: 08057567, registered and paid a cash contribution in the amount of 25,000.00 (in words: twenty five thousand) dinars, which is 5.00% share in the total share capital of the Company;

8. The founder, Municipality of Opovo, Str. Boris Kidrič No.10, VAT: 102697271, registration number: 08028842, registered and paid a cash contribution in the amount of 25,000.00 (in words: twenty five thousand) dinars, which is 5.00% share in the total share capital of the Company;

9. Construction company FINNET Engineering Ltd Pančevo, Spoljnostarčevačka 101, VAT: 101864347, registration number: 08345830, subscribed and paid a cash contribution in the amount of 25,000.00 (in words: twenty five thousand) dinars, which is 5.00% share in the total share capital of the Company;

10. HITEAM Ltd, Vršac, Beogradski put bb, VAT: 102963540, registration number: 08791376, subscribed and paid a cash contribution in the amount of 25,000.00 (in words: twenty five thousand) dinars, which is 5.00% share in the total share capital of the Company.

VIII MEANS OF WORK

Article 9

Funds for Company's operation, implementation of development projects and execution of activities are provided from:

- 1) self-generated income;
- 2) budgets of local self-governments that are the founders of the Company;
- 3) membership fees, donations, sponsorships, development assistance of domestic and foreign legal and natural persons;
- 4) other sources, in accordance with the law.

The amount of the membership fee of each individual founder and the deadlines for its payment is regulated by a special agreement concluded between the founders and the Company.

Article 10

The Company does not distribute profits to its members.

All profits generated by the Company's operations are reinvested into the Company's

operations by the decision of the Assembly.

IX COMPANY'S LIABILITY

Article 11

In legal transactions with third parties, the Company acts in its own name and for its own account.

The Company is liable for its obligations to third parties arising from the Company's operations with its entire assets.

X BODIES OF THE COMPANY

Article 12

The management of the Company is organized as unicameral. The bodies of the Company are the Assembly and the Director.

Their powers and scope of work are determined in accordance with the Law and this contract.

XI ASSEMBLY

Article 13

The Assembly consists of all members of the Company.

1. Powers of the Assembly

Article 14

Company Assembly:

- 1) adopts amendments to the founding act;
- 2) adopts a business and financial plan;
- 3) adopts development and other documents;
- 4) adopts the annual financial report, as well as the audit reports if the financial statements have been audited;
- 5) adopts the annual business report;
- 6) supervises the work of the director and adopts the reports of the director;
- 7) decides on the increase and decrease of the share capital of the company, as well as on issue of securities;
- 8) decides on the distribution of profits and the manner of covering losses, including determining the day of acquiring the right to share in profits and the day of payment of participation in profits to members of the Company;
- 9) appoints and dismisses the director and determines the remuneration for his work, i.e. the principles for determining that remuneration;
- 10) appoints an auditor and determines the remuneration for his work;
- 11) decides on initiating liquidation proceedings, as well as on submitting a proposal for

- initiating bankruptcy proceedings by the Company;
- 12) appoints the liquidation trustee and adopts the liquidation balance sheets and reports of the liquidation trustee;
 - 13) decides on the acquisition of own shares;
 - 14) decides on the obligations of the Company members for additional payments and on the return of those payments;
 - 15) decides on the request for withdrawal of a Company member;
 - 16) decides on the expulsion of a Company member due to non-payment, i.e. failure to pay the registered deposit;
 - 17) decides on initiating a dispute for exclusion of a Company member;
 - 18) decides on withdrawal and annulment of shares;
 - 19) gives a power of attorney;
 - 20) decides on initiating proceedings and granting a power of attorney to represent the Company in a dispute with the procurator, as well as in a dispute with the director;
 - 21) decides on initiating proceedings and granting a power of attorney to represent the Company in a dispute against a member of the Company;
 - 22) approves the contract on accession of a new member and gives consent to the transfer of shares to a third party in accordance with the Law;
 - 23) decides on status changes and changes in legal form;
 - 24) gives approval to legal transactions in which there is a personal interest, in accordance with the Law;
 - 25) gives consent to the acquisition, sale, lease, pledge or other disposal of high value assets in accordance with the Law (high value assets - 30% or more of the accounting value of the total assets of the Company stated in the last annual balance sheet);
 - 26) adopts procedure rules for its work;
 - 27) performs other tasks and decides on other issues in accordance with the Law and this contract.

2. Distribution of votes

Article 15

Each member of the Company has the right to vote in the Assembly in proportion to his share in the share capital of the Company, where the 1% share in the total share capital gives the right to one vote.

3. Quorum

Article 16

The quorum for the session of the Assembly is a simple majority of the total number of votes of the members of the Company.

4. Decision making

Article 17

The Assembly makes decisions by a simple majority of votes of the present members who have the right to vote on a particular issue.

The Assembly decides by a two-thirds majority of the total number of votes of all members of the Company on:

- 1) increase or decrease of share capital;
- 2) status changes and changes in legal form;
- 3) making a decision on liquidation of the Company or submitting a proposal for initiating bankruptcy;
- 4) distribution of profits and manner of covering losses;
- 5) acquisition of own shares of the Company.

The Assembly unanimously decides on the obligation of members to make additional payments, as well as on the return of those payments.

5. Procedure Rules of the Assembly

Article 18

The Assembly adopts the Rules of Procedure on its work, which prescribes the procedure for the election of the President of the Assembly and determines in detail the manner of work and decision-making of the Assembly in accordance with the Law and this contract.

XII DIRECTOR

1. Appointment

Article 19

The Company has one Director who is the legal representative of the Company. The Director is appointed by the Assembly of the Company.

The Director is registered in accordance with the Law on Registration.

2. Mandate

Article 20

The term of office of the director is four years with the possibility of re-election.

Article 21

3. Duties of the Director

Director:

- 1) represents the Company and manages the affairs of the Company in accordance with the Law, other regulations and this agreement;
- 2) prepares a draft of business and financial plans;
- 3) prepares a draft of development and other documents;

- 4) prepares a draft of the annual financial report;
- 5) prepares a draft of the annual business report;
- 6) is responsible for the accuracy of the financial statements of the Company;
- 7) is responsible for the proper keeping of the Company's business books;
- 8) submits reports to the Assembly at the regular session in accordance with the Law;
- 9) within the operations of the Company, cooperates with local self-governments, companies and other entities;
- 10) keep records of all adopted decisions of the Assembly;
- 11) executes the decisions of the Assembly;
- 12) performs all tasks that are not within the competences of the Assembly;
- 13) performs other tasks in accordance with the Law and other regulations and this contract.

XIII SPECIAL LIABILITIES TOWARDS THE COMPANY

Article 22

In addition to the persons prescribed by the Law, each individual member of the Company has special liabilities towards the Company, in terms of:

- 1) duty to report actions and activities in which there is a personal interest,
- 2) duty to avoid conflicts of interest,
- 3) duty to maintain professional secrecy and
- 4) duty to respect the non-compete principle.

XIV DURATION AND TERMINATION OF THE COMPANY

Article 23

The Company is established for an indefinite period of time.

The Company ceases to exist by deleting it from the register of business entities in cases provided by the Law.

XV FINAL PROVISIONS

Article 24

The provisions of the Law and other regulations shall apply to all issues that are not regulated by this Contract.

Article 25

Amendments to this Contract shall be made in writing in accordance with the Law.

The legal representative of the Company is obliged to make and sign the consolidated text of the Contract after each amendment to this Contract and register it in accordance with the Law

on registration.

Article 26

This contract is made in 22 (in words: twenty two) identical copies, one for the court, one for the registration procedure, two for each member of the Company.

Article 27

This Contract enters into force on the day of certification by the body responsible for certification.

In Pančevo, 4 October 2017

 **DIRECTOR**
Igor Knežević
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Igor Knežević