

Pursuant to Article 329 of the Companies Act (Official Gazette RS no. 42/2006 as amended), the Shareholder's Meeting of Nova Kreditna banka Maribor d.d. on 21 April 2016 adopted the following

**Consolidated text of
ARTICLES OF ASSOCIATION
OF NOVA KREDITNA BANKA MARIBOR d.d.**

GENERAL PROVISIONS

Definitions

Article 1

The terms and abbreviations used herein shall have the following meaning:

- (1) "**Bank**" means Nova Kreditna banka Maribor d.d.;
- (2) "**ZBan-2**" means the Banking Act (Official Gazette of the Republic of Slovenia, No. 25/2015);
- (3) "**ZGD-1**" means the Companies Act (Official Gazette of the Republic of Slovenia, No. 42/06, 10/08, 68/08, 42/09, 65/09, 33/11, 91/11, 32/12, 57/12, 44/13 and 82/13);
- (4) "**ZTFI**" means the Financial Instruments Market Act (Official Gazette of the Republic of Slovenia, No. št. 67/07, 100/07, 69/08, 40/09, 88/10, 108/10 78/11, 55/12, 105/12 and 63/138).

Name

Article 2

- (1) The name of the Bank shall read: "Nova Kreditna banka Maribor d.d."
- (2) The Bank's abbreviated name shall read: "Nova KBM d.d."
- (3) The Bank's name in foreign language: The Bank may, in line with the provisions of ZGD-1, use its abbreviated name translated in English. The Bank's abbreviated name in English shall read: "Nova KBM Plc".
- (4) The organisational units of the Bank entered into the court register shall use their own names in addition to the name of the Bank.
- (5) In addition to the name, the Bank uses a trademark consisting of stylised lower case letters and a name which is protected as service mark and subject to protection under the regulations of the industrial property laws.

Registered Office and Business Address

Article 3

- (1) The Bank's registered seat shall be in Maribor.
- (2) The Management Board shall determine the business address of the Bank.

Branch Offices

Article 4

The Bank may establish one or more branch offices, subject to the supervisory board's consent.

Activity of the Bank

Article 5

- (1) The Bank shall perform all types of banking services pursuant to Zban-2 and other services, which can only be performed by banks pursuant to the laws and regulations.
- (2) In addition to banking services, the Bank may perform all other financial services for which the Bank obtained the required permit, approval or consent, in particular:
 1. Receive deposits and other repayable funds;
 2. Granting of credits, including:
 - Consumer loans;
 - Mortgage loans;
 - Recourse or non-recourse factoring;
 - Forfaiting: financing of commercial transactions including export financing based on discount non-recourse purchase of long-term undue receivables secured by financial instruments;
 3. Financial leasing: leasing of assets where all material risks and benefits arising from the title to the leased asset are transferred to the lessee whereby the transfer of title to the lessee is possible but not obligatory;
 4. Payment services;
 5. Issue and management of other payment instruments (e.g. travellers' cheques and bankers' drafts) whenever this service is not included in the service from the preceding paragraph 4;
 6. Issue of guarantees and other warranties;
 7. Trading for own account or for the clients' account in:
 - Money market instruments;
 - Foreign means of payment including money exchange;
 - Standardized futures and options;

- Exchange and interest-rate instruments;
 - Transferable securities;
8. Participation in issuances of securities and provision of related services;
 9. Advice and services related to mergers and acquisitions;
 10. Investment management and related counselling;
 11. Custody of securities and other custody-related services;
 12. Safe custody services;
 13. Investment services and transactions and ancillary investment services pursuant to ZTFI.
- c) The Bank may perform the following ancillary financial services:
1. Insurance brokerage according to the law regulating insurance;
 2. Payment system management services;
 3. Marketing of investment funds, sale of investment coupons or investment fund stocks;
 4. Brokerage of voluntary pension insurance.
- (3) The Bank may perform ancillary banking services, including, but not limited to real estate management, the Bank's asset management, database management including personal data or performance of similar transactions supporting the performance of services of one or more credit institutions.
- (4) According to the applicable standard classification of activities, services under this article are classified into the following classes and sub-classes:
- 64.190 – Other monetary intermediation
 - 64.200 – Activities of holding companies
 - 64.300 – Trusts, funds and similar financial entities
 - 64.910 – Financial leasing
 - 64.920 – Other credit granting
 - 64.990 – Other financial service activities, except insurance and pension funding n.e.c.
 - 65.110 – Life insurance
 - 65.120 – Non-life insurance
 - 65.300 – Pension funding
 - 66.120 – Security and commodity contracts brokerage
 - 66.190 – Other activities auxiliary to financial services, except insurance and pension funding
 - 66.220 – Activities of insurance agents and brokers
 - 66.290 – Other activities auxiliary to insurance and pension funding

66.300 – Fund management activities

69.200 – Accounting, bookkeeping and auditing activities, tax consultancy

70.220 – Business and other management consultancy activities

82.910 – Activities of collection agencies and credit bureaus

Liability for Obligations

Article 6

- (1) The Bank is liable for its own obligations with all of its assets.
- (2) The shareholders of the Bank are not liable for the obligations of the Bank, unless otherwise stipulated by law.

Representation of the Bank

Article 7

- (1) The Bank shall be jointly represented by two members of the Management Board.
- (2) If the Bank enters into transactions with the members of the Management Board, the Bank shall be represented by the Chairman of the Supervisory Board.
- (3) The Supervisory Board may appoint a procurator of the Bank. The procurator shall jointly represent the Bank with a member of the Management Board or with another procurator.

Publication of Data and Notifications

Article 8

- (1) All notifications and information, for which publication is mandatory pursuant to law, shall be published in a way as prescribed by law.
- (2) Data or notifications of the Bank important for the Bank or its shareholders shall be published on the AJPES website or in a daily newspaper covering the entire territory of the Republic of Slovenia, and on the Bank's website (www.nkbm.si).

SHARE CAPITAL AND SHARES

Share capital and Shares

Article 9

- (1) The Bank's share capital amounts to EUR 150,000,000.00 (one hundred and fifty million euros) and is divided into 10,000,000 (ten million) ordinary non-par value shares.
- (2) Each non-par value share affords the same share and corresponding value in the share capital. The share of an individual non-par value share in the share capital is determined on the number of issued non-par value shares.

- (3) Ordinary non-par value shares give their holders:
- the right to the profit (dividends);
 - the right to a proportionate share of the remaining assets after liquidation or bankruptcy of the Bank.
- (4) The share capital consist of cash contributions and contributions in kind. Contributions in-kind are:
- 2,873,556 shares are paid in by the Republic of Slovenia by means of contributions in-kind in the total amount of EUR 249,999,403.96 that the Bank acquired from the Republic of Slovenia, consisting of:
 - a) 3,000,881 notes of the Republic of Slovenia RS62 entered in the central securities register with KDD under the code SI0002102570 in the aggregate market value of EUR 124,999,978.46 as of 9 December 2013;
 - b) 67,138 notes of the Republic of Slovenia RS67 entered in the central securities register with KDD under the code SI0002103057 in the aggregate market value of EUR 63,999,701.33 as of 9 December 2013;
 - c) 63,939 notes of the Republic of Slovenia RS69 entered in the central securities register with KDD under the code SI0002103149 in the aggregate market value of EUR 60,999,724.17 as of 9 December 2013.

The list of contributions in-kind forms an attachment and integral part hereof.

- (5) As of 27 July 1994 (day of registration of the Bank), the share capital amounted to SIT 4,832,073,000.00 (four billion eight hundred and thirty-two million and seventy-three thousand Slovenian tolar) or EUR 20,163,883.32 (twenty million one hundred and sixty-three thousand eight hundred and eighty three euros and thirty two cents).

MEASURES FOR CAPITAL INCREASE

Hybrid Securities

Article 10

- (1) On the basis of a resolution by the Shareholders' Meeting, the Bank may issue convertible bonds, call options on stocks and dividend-paying bonds – hybrid securities.
- (2) Such resolution requires at least a three-quarter majority of the share capital represented in a Shareholders' Meeting at the time the resolution is adopted.

CORPORATE GOVERNANCE

Article 11

The Bank shall have a two-tier management system consisting of a Management Board and a Supervisory Board.

Management Board of the Bank

Article 12

- (1) The Management Board of the Bank shall consist of at least two members. The members of the Management Board shall be appointed by the Bank's Supervisory Board.
- (2) One of the Management Board members shall be appointed as chairman of the Management Board.
- (3) The chairman of the Management Board shall appoint one of the Management Board members as vice chairman.
- (4) The number of the Management Board members shall be determined by a resolution of the Supervisory Board adopted from time to time.
- (5) The Management Board members shall be appointed for a period of up to 5 (five) years and may be reappointed.
- (6) The Supervisory Board recalls the members of the Management Board for reasons as stipulated by the applicable law and internal regulations of the Bank. A member of the Management Board may step down voluntarily.
- (7) The Management Board is entitled to adopt all the decisions with exception of the decisions which shall be adopted by the Shareholders' Meeting or Supervisory Board pursuant to applicable law and/or these Articles of Association.
- (8) The Management Board shall obtain a prior written consent of the Supervisory Board for certain transactions. The transactions for which the consent is needed and the procedure for the adoption of the consent shall be determined by a resolution of the Supervisory Board adopted from time to time.
- (9) The Management Board shall conduct business pursuant to its rules of procedure. The rules of procedure shall be confirmed by the Supervisory Board.
- (10) Decisions of the Management Board shall be adopted with the majority of the votes cast. In the event of a tie, the chairman of the Management Board shall have the decisive vote.
- (11) The Management Board adopts its decisions in the regular, extraordinary or correspondence meetings (by electronic means). Meetings shall be recorded in minutes of the meeting.
- (12) The Management Board shall inform the Supervisory Board of all matters for which the information obligation is stipulated by law. In addition, the Management Board shall inform the Supervisory Board of the other matters as determined by the Supervisory Board with its resolution from time to time.

Supervisory Board of the Bank

Article 13

- (1) The Supervisory Board of the Bank shall consist of at least six members and maximum of 11 members. Members of the Supervisory Board shall be appointed by the Shareholders' Meeting.

- (2) The members of the Supervisory Board shall elect among themselves a chairman and at least one vice chairman of the Supervisory Board.
- (3) The Supervisory Board members shall be appointed for a period of 5 (five) years and may be reappointed. The term of office of the Supervisory Board Member shall end with the lapse of time or with the decision on recall of the Shareholders' Meeting. A member of the Supervisory Board may resign at any time.
- (4) The Supervisory Board may regulate its conduct by adopting the rules of procedure.
- (5) Members of the Supervisory Board are entitled to a remuneration as determined by the Shareholders' Meeting from time to time.
- (6) The Supervisory Board validly adopts its decisions, if the majority of its members is present in the meeting. Decisions of the Supervisory Board shall be adopted with the majority of votes cast. In the event of a tie, the chairman of the Supervisory Board shall have the decisive vote.
- (7) The Supervisory Board adopts its decisions in regular, extraordinary or correspondence meetings (by electronic means). Meetings shall be recorded in minutes of the meeting.
- (8) Meetings of the Supervisory Board shall be held at least 4 times a year and shall be convened whenever business reasons give sufficient cause. Supervisory Board meetings shall be convened by the chairman or vice chairman of the Supervisory Board.
- (9) The Supervisory Board may appoint other committees, the appointment of which is not envisaged or mandatory pursuant to applicable laws. The competences of such other committees shall be determined by a resolution of the Supervisory Board adopted from time to time.

Shareholders' Meeting of the Bank

Article 14

- (1) The Shareholders' Meeting shall have the competences as stipulated by the applicable law.
- (2) The Shareholders' Meeting shall be convened by the Management Board or the Supervisory Board.
- (3) The Shareholders' Meeting shall be convened in cases stipulated by applicable law or when convening of the Shareholders' Meeting is for the benefit of the Bank.
- (4) The Shareholders' Meeting can also be convened by the Supervisory Board, in particular in the event that the Management Board has failed to convene the Shareholders' Meeting on time or such convocation is required for smooth operations of the Bank.
- (5) The Shareholders' Meeting session shall normally be held at the registered office of the Bank or at such location as defined in the convocation notice.
- (6) The Shareholders' Meeting shall adopt resolutions by simple majority of votes cast, unless a qualified majority is specified by law or by these Articles of Association.
- (7) Shareholders' voting rights shall be exercised in relation to their portion of shares held in the share capital. Each non-par value share with a voting right shall have one vote.

Non-compete Obligation

Article 15

The non-compete obligations from first paragraph of Article 41 of ZGD-1 shall not apply to any member of the Supervisory Board of the Bank who is, at the same time, member of a supervisory board in (i) another bank or financial institution in Slovenia that is owned or controlled by Biser Bidco S.à.rl or an affiliate thereof, or (ii) another bank or financial institution with its registered seat outside Slovenia.

INTERNAL AUDIT AND COMPLIANCE DEPARTMENT

Internal Audit Department

Article 16

- (1) The Bank's internal audit department conducts continuous and comprehensive control over the operations of the Bank and is an independent organizational unit, functionally and organizationally segregated from the Bank's other organizational units and reports directly to the Bank's Management Board.
- (2) The purpose, importance and tasks of the internal audit department shall be defined in an internal act approved by the Bank's Management Board, with the Supervisory Board's consent.
- (3) Internal auditing shall comprise the following:
 - monitoring and assessing the effectiveness of risk management systems and assistance with risk management;
 - review, assessment and testing the effectiveness of internal control systems;
 - evaluation of the internal capital adequacy assessment process with respect to the Bank's internal risk assessment;
 - assessment of the reliability of the information system, including the electronic information system and electronic banking services;
 - assessment of the reliability and credibility of accounting records and financial reports;
 - verification of the integrity, reliability and timeliness of reporting in accordance with the relevant regulations;
 - verification of the Bank's compliance with regulations, internal acts and measures adopted on the basis thereof; and
 - conducting special investigations.
- (4) The internal audit department shall draw up and submit its three-months and annual reports to the Bank's Management Board and Supervisory Board in accordance with ZBan-2.
- (5) The internal audit department shall conduct an internal audit of operations in accordance with the Standards for the Professional Practice of Internal Audit, the Code of Internal Auditing Principles and the Code of Ethics of Internal Auditors.

- (6) The Management Board in consent with the Supervisory Board adopts an annual operating plan of the Internal Audit Department.
- (7) The Internal Audit Department shall be duly informing the Management Board and the Supervisory Board of all circumstances determined in Article 145 of ZBan-2.

Compliance Department

Article 17

- (1) The Compliance department reports directly to the Bank's Management Board and is functionally and organisationally segregated from the Bank's other functions in which conflicts of interest could arise vis-à-vis the compliance function.
- (2) The compliance function shall identify the risks associated with the compliance of operations to which the Bank is or could be exposed in its operations due to a breach of valid regulations or requirements of the Bank of Slovenia or the European Central Bank, whenever the latter performs the tasks set out in the first paragraph of Article 4 of Regulation (EU) No 1024/2013 during the supervision of a bank in accordance with the same regulation, or due to the breach of valid agreements, prescribed practices or ethical standards that could impact the Bank's revenues, capital or reputation.
- (3) The compliance function shall report its findings to the Management Board and Supervisory Board, and to the risk management function, as appropriate.

ANNUAL REPORT, USE OF NET AND DISTRIBUTABLE PROFIT AND ESTABLISHMENT OF RESERVES

Financial Year

Article 18

The Bank's financial year shall correspond to the calendar year.

Reserves

Article 19

The Bank shall, within its operations, establish and use capital, legal and other reserves pursuant to the regulations of mandatory laws.

Decision on the Use of Net Profit

Article 20

The Management Board of the Bank may decide to form other reserves from the net profit which remains undistributed after its use for purposes prescribed by law (coverage of transferred loss, formation of legal reserves and reserves for own shares), but must not use more than one half of the profits which remain after the use of the profits for such purposes.

Decision on the use of distributable profit

Article 21

- (1) The Shareholders' Meeting adopts a resolution on the distribution of profits upon the proposal of the Bank's Management and Supervisory Board. The distributable profit may be used for:
 - distribution among shareholders,
 - for establishment of additional other reserves,
 - award of a bonus to members of the Management Board or employees.
- (2) The dividend shall be distributed and paid to the accounts of the shareholders in the amount, deadline and method as determined by the Shareholders' Meeting. The same conditions shall also apply for the payment of the part of distributable profit to the Management Board and employees.
- (3) The Shareholders' Meeting may adopt a resolution on the distribution of profits by which it also decides that it shall decide on the use of whole or part of the distributable profit in upcoming financial years (retained profit brought forward).

TERM AND WIND UP OF THE BANK

Term and wind up

Article 22

- (1) The Bank is established for indefinite period of time.
- (2) The Bank shall be wind up for reasons and in accordance with the procedure stipulated by the applicable law.

TRANSITIONAL AND FINAL PROVISIONS

Termination of the previous Articles of Association

Article 23

From the date of entry of the consolidated text of this Articles of Association in the court register the Articles of Association of the Bank dated 20 August 2015 shall cease to be valid.

Alignment of the text of Articles of Association

Article 24

The Supervisory Board is authorized to amend the Articles of Associations concerning the alignment of its text with the decisions validly adopted by the Shareholders' Meeting or the Management Board in accordance with this Articles of Associations.

Implementation of the Articles of Association

Article 25

These Articles of Association in consolidated text shall enter into force on the date of entry in the court register.

Maribor, 21 April 2016