



STATUTE

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JOINT STOCK COMPANY - REGIONAL WATER COMPANY "MITROVICA" J.S.C.

Article 1 Title

Pursuant to Law No. 03/L-087, "On Public Enterprises" And Law No.06/L -016, "On Business Organisations"; is hereby established:

JOINT STOCK COMPANY - REGIONAL WATER COMPANY "MITROVICA" J.S.C.

The acronym of the name of the company is RWC "Mitrovica" J.S.C. The title of the Joint Stock Company (hereinafter referred to as: the company) can be written in uppercase or lowercase letters.

Article 2 Main Seat

The main seat of the joint stock company is in the city of Mitrovica, Street "Liqenit" Suhodoll nn. Mitrovica - The company can exercise its activity throughout the territory of the Republic of Kosovo, as well as abroad.

Article 3 Company Affiliations

The Company, in accordance with this Statute and the applicable legislation of the Republic of Kosovo, may establish centers, representations, branches, and other companies both within the Republic of Kosovo and abroad. The Regional Water Company "Mitrovica" J.S.C. has the following units covering the respective municipalities: South Mitrovica Unit, North Mitrovica and Zvečan Unit, Leposavić Unit, Skenderaj Unit, Vushtrri Unit, and Zubin Potok Unit.

Article 4

Duration

- 1 The duration of the joint stock company is unlimited, unless otherwise decided by its management bodies.
- 2 If the duration of the company is changed, the Registration Office shall immediately be notified to ensure that this Office publish such change in its database.

Article 5

Scope

The scope of the Company is :

- 1 Drinking water supply service as well as network maintenance and untreated water treatment;
2. Maintenance of drinking water supply system(s);
3. The production and distribution of drinking water to meet the demand of consumers;
4. Maintenance of production systems and their plants.
5. The company can carry out any kind of financial or commercial operation, which is directly or indirectly related to its object, within the limits provided by the legislation in force.
6. The company will carry out any action in order to obtain the permits, authorizations, licenses and approvals necessary for the realization of its activities, for which these administrative documents are required.

Article 6

Company Founding

The Government of the Republic of Kosovo is the owner of joint stock companies with public capital. Joint Stock Company Regional Water Company "Mitrovica" j.s.c. in Mitrovica, established pursuant to Law No. 03/L-087, "On Public Enterprises", of Law No. 06/L -016, "For Commercial Companies", of the Decision of the Government of the Republic of Kosovo No. 03/74, dated 14.07.2009 and the Decision of the Commission of Ministers No. 218/1, dated 30.09.2009. The company is the heir of the Public Enterprise Regional Water Company "Mitrovica" J.S.C.

Article 7

Statute and Regulations

1. The Company is founded only after its registrations of this Statute in the Business Registration Office. This statute is the founding and constitutive document of the Company RWC "Mitrovica" J.S.C. The amendments and supplements of this statute shall not have legal effect until they are adopted by the shareholders and submitted to the Business Registration Office, in accordance with this law.
2. The Company shall adopt regulations, which shall contain provisions on the administration and functioning of the company. The regulations shall be approved, amended or revoked by the

shareholders or the board of directors, unless such authorizations are reserved only for the shareholders in the statute of the company. No regulation approved by the shareholder shall be amended or revoked by the Board of Directors, unless specified in the regulation.

3. In the event of discrepancy, the statute of the company shall prevail over the regulations. In such cases, the relevant provisions of the regulations are deemed to be revoked or amended to the extent necessary to eliminate the inconsistency.

Article 8

Responsibilities

1. The Joint Stock Company RWC "Mitrovica" j.s.c, as the successor of the enterprise, RWC "Mitrovica" is responsible for the assets, property, it enjoys the rights and obligations that come as a result of this transformation..

2. No person, business company or other company is liable for the obligations of the joint stock company only because it is a shareholder in this company.

Article 9

Responsibilities of the Founders for the Actions before Registration

If actions have been taken on behalf of the former company, prior to registration including but not limited to, opening bank accounts, purchasing and leasing property, entering into contracts or undertaking other obligations, after the Company has been registered, it assumes responsibility for these obligations and in these cases, the company is the only party responsible for claims and obligations.

Article 10

Capital

1. The basic capital of the Company is 25,000 (twenty-five thousand) Euros and is divided into 25,000 (twenty-five thousand) shares with a nominal value of 1 (one) Euro each. The Company's capital is fully paid up and subscribed.

2. The sole shareholder of the Company is the Government of the Republic of Kosovo.

3. All changes to the share capital are made according to the definition in Law No. 02/L -123, "On Business Organisations", which includes, amount, prepayment, ratio to nominal value, increase of share capital, reduction of share capital, share split, regrouping of shares, cancellations that do not change share capital, repurchase or revocation of shares, etc.

Article 11

Shares

1. The company will have a list of shareholders.
2. The shares are nominal, common or preferred, certified or uncertified, securities, as well as freely transferable according to the applicable Law in the Republic of Kosovo, which governs the trade relations.
3. The value of a common share of the Company is 100 (one hundred) Euros.
4. The ownership of the shares results from their registration in the name of the owner, in the share register maintained by the company or financial intermediaries.
5. The company's shares are 100% owned by the Government of Kosovo, the Ministry of Economy and Finance, as a representative of the state owner.

Article 12

Distributions of Dividends

1. The Board of Directors of the company shall determine the dividend.
2. Their distribution will be done only with the authorization of the shareholder, according to the definition of Law No. 02/L -123, "On Business Organizations".

Article 13

Shareholders

1. Register of Shareholders

- 1.1. The company establishes and maintains the Shareholders Register, pursuant to the applicable law. The registers shall contain the information required by law and any other information that the Company deems necessary.
- 1.2. The company shall not apply a tax for the registration of any transfer or other document in connection with/or which damages the title of any share.
- 1.3. The Secretary may register the transfer of any share only when evidence of the transfer is provided in compliance with the Law.
- 1.4. The Secretary shall allow the Shareholders approved by law and their respective authorized agents to have access to the shareholders' register and to provide them with relevant extracts (fragments) from the register upon their request.

2. The General Meeting of the Shareholders

The General Meeting of Shareholders of the Company ("General Meeting") is the highest decision-making body of the Company. The decisions of the General Meeting, which are considered decisions, must be binding on the Company, shareholders, other bodies as well as Company Officers.

3. Convention and Agenda of the General Meeting

3.1. The Company shall hold an Annual General Meeting ("Annual General Meeting") to review and approve the annual financial statements, within one hundred and fifty (150) days after the close of the Company's financial year.

3.2. General Meetings are called by the leader of the Board of Directors, acting through the Secretary.

3.3. General Meetings are convened by the Board of Directors, at any time necessary; the Board of Directors can equally may include additional matters in the agenda of the Annual General Meeting.

3.4. Two or more members of the Board of Directors, or shareholders in possession of not less than twenty percent (20%) of the issued or pending voting shares of the Company may request the holding of the General Meeting, including the agenda. Such a request must be made in writing to the head of the Board of Directors, and must be approved whenever the proposed issues fall within the competences of the General Meeting. The Chairman of the Board of Directors must call the General Meeting for a date not later than four ten (40) days after the request is received, unless the request specifies a later date.

3.5. According to the established rules, additional issues may be included in the agenda of the Annual General Meeting; such a request may be disregarded if submitted no later than one hundred (100) days after the close of the Company's financial year. If such a request is made after the notice of the meeting has been sent, the Annual General Meeting must be adjourned and a new notice including the additional items on the agenda must be sent.

4. Notice of General Meeting and Proceedings

4.1. Notice of a General Meeting must be sent to each shareholder at least thirty (30) days in advance to the addresses listed for each shareholder in the shareholder register as well as to each member of the Board of Directors. In addition, notice must be given by publication as required by law.

4.2. The notice must contain the time and place of the General Meeting and the agenda. The notice must contain that, if any party will not be present at the General Meeting then the latter may be adjourned to a later date more convenient, specifying the time and place: such date cannot be no earlier than fifteen (15) days after the original collection date nor thirty (30) days thereafter.

4.3. The failure to notify each shareholder of the General Meeting can be eliminated if that person attends the General Meeting in person or his authorized representative. The failure to notify each member of the Board of Directors about the General Meeting can be eliminated if the majority of the members of the Board of Directors attend the General Meeting in person.

4.4. Any request for notice shall be deemed abandoned if the General Meeting acts according to the written decision and if it is signed by all Members present.

4.5. General Meetings can be held in more than one place, through mutual voice or video conference, as long as the following requirements are met and reflected in the relevant minutes.

4.5.1 Chairman of the General Meeting must be able to determine the identity and right of participation of those present, must lead the General Meeting, and must determine and declare the voting results;

4.5.2. The Secretary of the General Meeting must be able to adequately perceive the events at the General Meeting, and

4.5.3. Participants must be able to participate in discussions and vote on agenda items, as well as read, accept or send related documents (if any).

4. Quorum for General Meetings

5.1. The General Meeting can be held only if the quorum is present in person or through an authorized representative. The Secretary must make the necessary arrangements for shareholders to register their shares at the General Meeting. The quorum must be present if the shareholders (or their authorized agents) representing at least fifty (50%) percent of the Company's voting shares are registered as present at the General Meeting.

5.2. If there is no quorum within a reasonable period of time after the time fixed for commencement, the General Meeting must be adjourned or adjourned to a suitable date specified in the notice (if any). For such General Meeting to be adjourned, the quorum shall be twenty-five percent (25%) of the voting part of the Company. If, at the adjourned General Meeting, there is no quorum within a reasonable period of time after the meeting is about to commence, the General Meeting will be cancelled.

5. Chairman of the General Meeting

The Leader of the Board of Directors or, by decision of the shareholders, the person elected by the majority of the part presented at the General Meeting shall be the Leader of the General Meeting. The leader of the General Meeting must, acting reasonably and in compliance with the law and these statutes, ascertain the presence of the quorum, lead the debate and keep minutes, and ascertain and declare the voting results: the secretary will assist the leader.

6. Votes of Shareholders

7.1. Each shareholder whose name appears in the register of shareholders thirty (30) days before the date on which the General Meeting is called must have one vote for each share for which he is a registered holder in the register of shareholders of the Company.

7.2. Each authorized shareholder shall be appointed in writing by the designated shareholder and must be accepted by the Secretary before the commencement of the General Meeting.

7.3. The vote given by the authorized person must be valid, regardless of the earlier dismissal of the voting person's authority, unless the notice of dismissal has been received by the Secretary before the start of the General Meeting where the vote was given.

7.4. A decision put to a vote at the General Meeting must be decided by public counting. Counting must begin immediately when the leader of the General Meeting instructs, in such a way as to enable the votes belonging to each share for or against the decision to be counted accurately. In case of an equal vote, the leader of the General Meeting (if he or she is a shareholder) may have a casting vote.

7.5. The General Meeting can only adopt decisions related to matters which are summarized in the agenda for any particular General Meeting unless the shareholders who represent all the company's shares and who have the right to vote are present and agree otherwise.

7.6. The written decision signed by all the shareholders of the company will have the same force as the decision passed in the General Meeting that was called and held.

Any such resolution may consist of several documents having identical form and content, each signed by one or more shareholders.

8. Competencies of the General Assembly

8.1. Unless otherwise stipulated in the law, the General Assembly must have exclusive powers to:

8.1.1. Amend the statute and legal acts of the Company, and approve the codes of the common governance of the Company, which must define the criteria that should guide the exercise, by the bodies of the Company, of the decision allowed to them by these statutes and by law;

8.1.2. Increase or decrease the share capital of the Company;

8.1.3. Establish different layers of shares, define their rights and other characteristics and change them;

8.1.4. Decides on any merger, consolidation, division, distribution, liquidation, transformation, and to the extent permitted by law - bankruptcy or insolvency (insolvency) of the Company;

8.1.5. Decide on the issuance of shares, issuance of debt or securities converted into shares, as well as consolidation or division of unpaid shares and convertible securities;

8.1.6. Appoints, removes or replaces the members of the Board of Directors, and determines their remuneration;

8.1.7. It determines the additional payments for those directors who are also members of the audit committee;

8.1.8. Appoints – at the proposal of the audit committee – removes or replaces the external auditors of the Company, and determines their payments (always in compliance with any procurement law that may be in force);

8.1.9. Authorizes any transaction between the Company and any director, and the provision of any service to the Company by its external auditors in addition to the audit service provided by these articles of association; and

8.1.10. Approves the annual financial statements and other pre-planned documents, declares all dividends and decides on the coverage of any losses.

8.2. Decisions must require the affirmative vote of the majority of issued and unpaid shares of the Company. However, any amendment to Article 2 (item 8)(c) requires the affirmative vote of at least two-thirds (2/3) of the issued and outstanding shares of the Company.

8.3. Decisions require the affirmative vote of at least two-thirds (2/3) of the issued and unpaid shares represented in the relevant General Meetings.

8.4. Decisions not referred to above must require the affirmative vote of the majority of shares represented at the respective General Meetings.

8.5. The approval of transactions, documents and other acts will not release the Directors and Officers of the Company from any responsibility resulting from violations of their duties entrusted to them or from other obligations of the Company, nor will it mean a waiver of rights and compensation which the Company may have against them in this regard.

Article 14

Board of Directors

1. Function of the Board of Directors

The business and duties of the Company shall be directed by the Board of Directors, as set forth in this statute and law.

2. The members of the Board of Directors

2.1. The First Board of Directors is formed on the basis of Law no. 06/L-016, "For Commercial Companies", according to this composition:

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|-------------------------------|------------------|
| ▪ Ms.Kumrije Kelmendi- Aliu ; | chairperson; |
| ▪ Mr.Bashkim Halabaku ; | member; |
| ▪ Mr.Zijadin Lutolli; | member; |
| ▪ Ms.Aurora Dinaj ; | member; |
| ▪ Mr.Bashkim Kurti; | Chief Executive; |



2.2. The Board of Directors must according to its collective responsibilities to:

2.2.1. Respect the Company's statute and legal acts and implement the decisions of the General Meeting, in compliance with the law;

2.2.2. Determine, and regularly – at least every three months – review the Company's strategy;

2.2.3. Prepare and approve the long-term strategy, investments and financial plans of the Company and – within the relevant time limit – review it whenever necessary, at least every three months, make changes that may be necessary;

2.2.4. Based on these long-term plans, issues strategic directives for the EC whenever necessary;

- 2.2.5. Approve the annual business plan and the annual budget prepared by the EC based on such long-term plan;
- 2.2.6. Appoint, remove or replace the EC, determine, with the proposal of the audit committee - his or her compensation, and ensure that the process for the selection of the EC will be organized in a transparent and reasonable manner, thus ensuring the Company's availability adequate talents and competences;
- 2.2.7. Determine the transactions based on which the EC will not have the power to act (and oblige the Company) independently and must request prior authorization from the Board of Directors, or the joint signature of any other official;
- 2.1.8. Upon the proposal of the Chief Executive, appoint, dismiss or replace the Chief Finance Officer and the secretary and upon the proposal of the Audit Commission, determine their compensation;
- 2.1.9. Determine with the proposal of the CEO, the financial transactions on the basis of which KSHF will not have the power to act (and oblige the Company) independently, and will have to request prior authorization from the CEO or the Board of Directors;
- 2.1.10. Carry out constant and rigorous supervision over the business work of the Company, over the work of the EC, KZF and the Secretary, over the internal organization of the Company and over the performance of the Company, and ensures that the reporting lines of the Company are organized to allow the performance of appropriateness of such supervisory duty; and, on these bases, to implement these entrusted duties of the officials (in the case of the internal audit officer only on the proposal of the audit committee);
- 2.1.11. approve at the end of each business year, without any delay and in any case within ninety (90) days after the end of the financial year of the Company:
- 2.1.11.1 the annual balance sheet and profit and loss statement of the Company and any other financial statement required by law;
 - 2.1.11.2. an annual report on the management, business regulations, financial and industrial condition of the Company - which will have to include its observations in such a way that the operations and performance of the Company can be equated with the long-term plans - also present its proposal for allocation, investment or distribution of annual profit, or coverage of losses; and
 - 2.1.11.3. A statement to the shareholders that – to the best knowledge of the Board of Directors, taking into account the report of the Audit Committee, and according to its own independent and careful investigation and adequate consolidation, the aforementioned documents are true, correct and correct, and they do not leave any information or insight unmentioned, and their non-inclusion would be considered a deviation.
- and submit them - together with the report from the external auditor in the submitted documents (i) - to the shareholders at least thirty (30) days before the date of the Annual General Meeting;
- 2.4. Ensure that adequate internal control systems, including financial control and procedures are in place;

- 2.5. Ensure that adequate systems and procedures are in place to ensure that the Company's books and records, including financial records, are kept in compliance with accounting standards and applicable laws, and that draft annual financial reports are properly prepared.
- 2.6. Ensure that the audit of the books and registers is performed at least annually by the external auditor;
- 2.7. Ensure that adequate systems and procedures are in place to ensure that the Company complies with all applicable laws in the conduct of business and duties;
- 2.8. To identify, at the request of the CEO, the adequate signs in order to regularly measure the Company's performance; and
- 2.9. To ensure that the Company's business never deviates from the purpose stated in the charter without the clear authorization of the General Meeting;
- 2.10. The Board of Directors may, in addition, issue directives to the EC in the internal organization of the Company and the allocation of power and decision-making authority together with the Officers and Managers of the Company, and may - on the proposal of the CEO - appoint other Officials (except CEO, KZF, Secretary and Internal Audit Officer), establishing their powers, duties, and rules regarding their appointment, compensation, removal or replacement.

3. Meetings

3.1. The Board of Directors must meet at the place of the written notification for the meeting, at the registered office of the Company or elsewhere, whenever the need arises from the leader or two (2) or more Directors. The notice of the meeting must have the agenda and must be delivered by hand at least three days before the meeting, by e-mail or by any other means that ensure timely acceptance. In case of emergency, the notice of the meeting must be conveyed by letter and sent by hand or e-mail at least one day before the meeting.

3.2. At the meeting, the leader of the Board of Directors, acting reasonably and in accordance with the law and these statutes, must determine the presence of a quorum, direct the debate, as well as keep minutes, and determine and declare the results of the vote. The Secretary shall assist the Director, unless a matter of co-confidentiality requires the Director to act as Secretary of the Meeting.

3.3. Meetings of the Board of Directors are validly constituted with the presence of the majority of Directors in the Office and must act with the affirmative vote of the majority of Directors participating in the meeting.

Directors who may abstain from voting and Directors who have disclosed a conflict of interest will not be included in the count in relation to the majority. In the event of a tie, the leader of the Board of Directors shall have the casting vote.

3.4. If, due to the void, the number of Directors is less than the number established as a quorum, the remaining Directors (or the Director) can only act for the purpose of calling the General Meeting to fill the vacant seats.

3.5. The meeting of the Board of Directors can be held in more than one location, with two-way connection through voice or video conference, as long as the requirements are met and are justified in the minutes:

3.5.1. The Leader of the Meeting must be able to determine the identity and right of participation of those who are present, will lead the meeting, and will ascertain and declare the results of the vote;

3.5.2. The Secretary of the Meeting must be able to perceive the events adequately during the meeting; dhe

3.5.3. Participants must be able to participate in discussions and vote on agenda items, as well as read, accept or send documents related thereof (if any).

3.6. A written resolution signed by a majority of the Directors in office shall have the same force and effect as a resolution passed at a meeting of the Board of Directors that has been called and held. Any such resolution may consist of several documents having identical form and content, each signed by one or more directors.

Article 15

Komisioni i Auditimit

The Audit Commission must be formed and have the powers as defined in Law no. 03/L-087 "On Public Enterprises".

Article 16

Officials

9. Officials of the Company

The officers of the Company shall be the Chief Executive Officer, the Chief Financial Officer, the Internal Audit Officer, the Secretary and other officers designated by the Board of Directors..

10. Acceptability

The acceptability of offers will be determined taking into account the provisions of Law No. 03/L-087 "On Public Enterprises".

11. Chief Ecexutive

3.1. The Chief Executive Officer of the Company (CE) shall have the authority to enter into a contract for the Company, in compliance with the statute, these legal acts and the law, subject only to the limitations determined by the Board of Directors under Article 3 (item 4)(g) .

3.2. e business, tasks and organization of the Company must be carried out according to the directives, supervision and responsibility of the EC, in accordance with the statute and legal acts of the Company and the decisions of the Board of Directors. All issues related to the Company's business that are not the responsibility of the General Meeting, the Board of Directors, the Audit Committee or the Internal Audit Officer will be decided by or according to the directives and responsibilities of the CEO.

3.3. CEO shall have the authority to hire or fire the officers and staff of the Company and to delegate such authority to other officers (referring to applicable laws), and other members, excluding:

3.3.1 Chief Financial Officer ,

3.3.2 Internal Audit Officer

3.3.2 Sekretary

3.3.4 CEO has the right to recommend for hiring or firing other officials that the Board of Directors specifically holds the rights to hire or fire, but the decision to hire or fire belongs only to the Board of Directors, not including the internal auditor.

3.4. CEO shall also :

3.4.1. Advises and assists the Board of Directors in defining the Company's strategy as well as its long-term strategic plans;

3.4.2. Propose to the Board of Directors suitable candidates for employment as KZF and Secretaries, suggesting at least two (2) persons for each position;

3.4.3. Submits, according to his responsibilities to the Board of Directors, drafts of the documents provided for in Article 3 (item 4)(k)(i) and Article 3 (item 4)(k)(ii);

3.4.4. To provide whenever necessary, and at least once every three months, reports to the Board of Directors on the main transactions undertaken by the Company and on the main decisions undertaken by the management in relation to the management of the business and affairs of the Company ;

3.4.5. Submit, under his/her responsibility, to the Board of Directors documents, letters and information regarding all issues included in the agenda of its meetings;

3.4.6. To propose to the Board of Directors adequate indicators for measuring the Company's performance, as well as to offer the Board regularly - at least every three months - reports measuring the Company's performance against such indicators;

3.4.7. To establish and review the organizational structure of the Company, as well as the allocation of the decision-making power of the Company, as well as the power of communication between the leaders and the employees in the Company;

3.4.8. To provide the Audit Committee with all the information and assistance that may be requested;

3.4.9. To provide the Internal Audit Officer with all information and assistance that may be requested by the latter; and

3.4.10. To participate in all General Meetings.

12. Chief Finance Officer

1. The Chief Financial Officer of the company ("CFO") shall manage, under the direction and supervision of the CEO, the Company's financial affairs, subject to the restrictions set by the Board of Directors - will have the authority to enter into all financial contracts for the Company, and will be responsible for:

1.1. To maintain the Company's accounts up-to-date and accurate;

Establish and manage all internal financial controls, including purchasing, cash receipts, and fixed assets. Monitor accounts payable and coordinate bill payment and special

purchases. Review employee expenses to ensure compliance with Company policies and budget prior to payment;

1.2. To prepare the Company's data for audit at the end of the year;

1.3. Review, reach agreements for procurement and maintenance of all businesses related to insurance policies;

1.4. To coordinate other business functions, such as the leasing of facilities and equipment, as well as to make purchases with the EC and the office or the procurement function of the Company;

1.5. Managing the treasury of the Company;

1.6. Deciding on and preparing the budget; and

1.7. Any other duty assigned by the CEO.

5. Internal Audit Officer

1. Under the direction and supervision of the Audit Committee, and reporting exclusively to it, the Company's internal audit officer ("Internal Audit Officer") will be responsible for:

1.1. Leadership, management and internal organization of the audit office, choosing its staff;

1.2. Leads and directs all internal audit activities; and

1.3. Performs any other duties determined by the Audit Committee.

6. Sekretary

1. The Secretary of the Company ("Secretary") shall:

1.1. Maintain the register of shareholders;

1.2. Acts as the Company's agent for receiving notices;

1.3. Carry out archiving, publications and/or disclosures to relevant authorities as may be required by law or these bylaws;

1.4. Supervise the proper maintenance and regular updating of the website, as provided for in article 8 (point 6);and

1.5. Coordinates with the CEO the preparation of letters (documents) for the meetings of the Board of Directors.

2. The Secretary shall keep the minutes of each General Meeting and the Board of Directors and the Audit Committee (unless otherwise requested by their chairman), and will record them in the minutes books. The minutes will contain the following information: the names of the participating persons, the place and time of the meeting, the main issues raised during the discussion of specific agenda items, the text of the proposed decisions, the result of each vote and the votes of each individual (participant). , the exact text of the decisions reached as well as any objection raised in relation to the decisions made.

3. The minutes for the General Meetings will be signed by the chairman of the General Meeting and the Secretary and will be submitted for approval at the next General Meeting. The secretary will issue certified copies of the minutes. The minutes of the General Meeting will be made available to shareholders upon written request.

4. The minutes of each meeting of the Board of Directors will be submitted for approval at the next meeting of the Board of Directors. The minutes of each meeting of the Board of Directors shall be signed by the chairman of the Board of Directors and shall be distributed to the members of the Board of Directors. The same rules will apply to the minutes of the Audit Committee.

Article 17

Entrusted duties

1. Each Director and Officer shall have fiduciary duties for the Company, in accordance with the law. These fiduciary duties will always include duties to:

1.1. Act in good faith exclusively for collective benefits and for the objective benefits of shareholders, always in accordance with the law and the statute;

1.2. To exercise the power granted to them exclusively in accordance with the best collective and objective interests of the shareholders;

1.3. To have adequate consideration for the issues that must be decided by them and to provide all the necessary information for making such decisions, taking into account their complexity;

1.4. To avoid and disclose current and potential conflicts between their personal interests (direct or indirect) and the interests of the Company;

1.5. To exercise reasonable care, diligence and skill in the performance of their functions; and

1.6. To treat as confidential all information reasonably received from their office or during the implementation of their duties.

Article 18

Actions of the Board without Holding the Meeting

Unless the Company's statutes or regulations require that a board activity be undertaken exclusively at a board meeting, all activities that may be undertaken at board meetings may be undertaken even without holding a meeting if written consent, which also contains the nature of the relevant activity, is signed by all the directors with the right to vote on that issue. All these consents must be contained in one or more written approvals, which must present the activity undertaken and have the signature of one or more directors. All these consents must be placed in the minutes from the meeting of the board of directors of the Company. The consent is effective upon signature by all directors, unless a different effective date is specified in the consent.

Article 19

Board Commissions

1. By its internal regulation, the Board of Directors, determines, when they can approve the establishment of one or more commissions, (audit or compensation review commission) that will examine, research, recommend or take other measures not -obligations that are within the competence of the board.
2. These commissions may also include members of the board of directors and employees of the company as well as persons outside the company, as defined in the regulations.
3. The approval of regulations for the decisions rendered by the Board require a larger number; the majority of members of the commission constitute a quorum and the majority of quorum is necessary for any recommendation or any other action of the commission. All other decisions and actions of the commission shall be subjected to review, change and approval with not less than 2/3 of the members of the Board.

Article 20

Disclosures

1. Reports of Board of Directors

After each meeting of the Board of Directors, the latter will issue a short report in clear language, highlighting a summary of the most important decisions and resolutions reached at the meeting, hiding only those information regarding with which reasonable confidentiality is required; such information will be included in subsequent reports when there is no longer a need to maintain confidentiality.

2. Conflict of interest

The Board of Directors and the Audit Committee shall regularly, at least every three months, issue a brief, joint report, with clear language highlighting all instances in which any Director or Officer has declared the existence of a conflict. potential interests and has abstained from voting or acting, giving indications of the nature of the interests and the operative decisions due to which they were raised. A portion of such information may be withheld if reasonable cause requires that confidentiality be respected on behalf of the Company, and such information shall be included in subsequent reports when the need for confidentiality no longer exists; under no circumstances can the information be kept because of the interests of the Director or the relevant Officer.

3. The transactions with related parties

The Audit Committee shall regularly - at least once every three months - issue a brief report with clear language, highlighting the most important transactions with related parties that it has not approved, giving the reasons for not- their approval, and all Transactions with related parties that it has approved by presenting the value of the transactions; the amount of outstanding balances, including terms, conditions and warranties; provisions for doubtful debts related to the value of unpaid balances, and expenses received during the period related to bad (non-payable) or doubtful debts determined by the relevant related parties) as well as the statement that the latter has was reasonable and fair for the Society. A portion of such information may be withheld if reasonable cause requires that confidentiality be respected on behalf of the Company, and such information shall be included in subsequent reports when the need for confidentiality no longer exists; under no circumstances can information be withheld due to the interests of the relevant related parties.

4. Electronic webpage

1. The company shall create and regularly update, under the responsibility of the CEO, a website where at least the following information will be presented:

1.1. The official documents provided and the report on such documents by the Audit Committee;

1.2. The report from the external auditor for the financial statements provided for in the LNP

1.3. The list of the most important procurement contracts that have been concluded during the current financial year, indicating their nature, price and other parties, without prejudice to any obligation of confidentiality owed to the latter. When the company operates in a competitive market, it may delete commercially sensitive information about prices from such disclosures;

1.4. The list of all procurement contracts concluded during the current financial year without following tendering procedures, indicating their nature, price, other parties (without prejudice to any obligation of confidentiality owed to the latter) and the reason why the procedures tenders have not been forwarded;

1.5. The list of the ten (10) most important suppliers of the Company, with the prices of the supplies;

1.6. Any court claim pending cases relating to the validity of any director election, violation of duties of directors or officers or the validity of any resolution passed by the Board of Directors; All such information and documents will be distributed in separate and easily accessible paragraphs, with links to other documents whenever necessary, and will be included in a single paragraph of the website which is dedicated to public disclosures on corporate matters, and you will set out in a simple and easy-to-read manner, each of these in an easily printable format.

Article 21 Miscellaneous

The Financial Year of the Company shall be the same as the calendar year.

Article 22 Non-complete clause

The officials and directors may not engage in commercial competition against the Company. This competition includes but is not limited to employment, being a general partner, manager, director or controlling member or shareholder in any other commercial company engaged in competitive commercial activities.

Article 23
Amendment of statute

The company can change its charter at any time, according to Law No. 06/L -016, "On Business Organizations".

Article 24
Liquidation of the Company

The liquidation of the Company is done according to the manner and form determined by law.

Article 25
Exercise of Obligations by Personal or Court Decision

1. One or more shareholders holding at least 10% of the voting rights, for the election of directors, have the right to file a complaint in court on behalf of the Company against one or more directors or officers, if these shareholders have good cause to believe that the relevant officers and directors have breached their duty to the Company and thereby harmed the Company.
2. No claim shall be filed by the shareholder in the name or on behalf of the Company, unless the shareholder in question or the prior owner of his share was a shareholder at the time of the action for which the lawsuit was filed and the board of directors has either declined to file this lawsuit or efforts to induce the board of directors to file the lawsuit are unlikely to succeed. Complaints so filed must describe in detail either (i) efforts that have been made by the stockholders to induce the board of directors to file the complaint on behalf of the company or (ii) a statement that such efforts have not been made because most likely would have been useless, together with a statement setting forth the reasons in support of that statement.
3. If the complaining shareholders are successful in this case, all compensation awarded and received are the property of the Company, except that the complaining shareholders are entitled to recover their reasonable expenses, including legal fees, from the defending party

Article 26
General Provisions

For what is not stated in the statute, reference is made to Law No. 03/L-087, "On Public Enterprises" and Law No. 06/L -016, "For Commercial Companies" of the Republic of Kosovo.

Article 27
Entry into force

This Statute shall enter in force on the date of signature and the previous Statute is repealed.

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| ▪ Ms.Kumrije Kelmendi- Aliu ; | chairperson; |
| ▪ Mr.Bashkim Halabaku ; | member; |
| ▪ Mr.Zijadin Lutolli; | member; |
| ▪ Ms.Aurora Dinaj ; | member; |
| ▪ Mr.Bashkim Kurti; | Chief Executive; |

