

**S T A T U T E**  
**OF CLOSED-END INVESTMENT FUND WITH A PUBLIC OFFERING**  
**“INVEST NOVA FOND” AD BIJELJINA**

Bijeljina, april 2008

According to the Articles 61 and 215 of the Law on Enterprises (“Official Gazette of Republic of Srpska”, number 24/98, 62/02, 38/03, 97/04 and 34/06), Article 110 of the Law on Investment Funds (“Official Gazette of Republic of Srpska”, number: 92/06), Article 31 of the Statute of the Closed-end Investment Fund with a public offering “Invest nova fond” AD Bijeljina and Decision on Amendments of the Closed-end Investment Fund with a public offering “Invest nova fond” AD Bijeljina, number: SK-I-03/08 the first regular Assembly of the fund shareholders, held on April, 17<sup>th</sup> 2008, adopted

**STATUTE  
OF CLOSED-END INVESTMENT FUND WITH A PUBLIC OFFERING  
“INVEST NOVA FOND” AD BIJELJINA**

**I GENERAL PROVISIONS**

Article 1

By this Statute issues vital to business operations are regulated, such as:

- the firm, the head office and the type of the Fund,
- activities of the Fund,
- the date of establishing and the lifetime of the Fund,
- the capital of the Fund, nominal value, the type and the class of issued shares,
- the rights from Fund shares,
- the way of launching of the Fund shares on the regulated market,
- the authorities of the Fund,
- the way of summoning the Fund Assembly and reaching decisions,
- representing the Fund,
- the relationship between the Fund and the Association for the Investment Fund Management,
- the investment goals of the Fund and investment limitations,
- the way of obtaining the financial reports,
- the Prospectus of the Fund and additional information about the Fund,
- the way and the time of calculation of the Fund assets,
- the expenditures of the Fund,
- business books,
- the conditions and the ways of determination and distribution of profit as well as bearing risk,
- the Fund reserves,
- the status changes of the Fund,
- the liquidation and rights of shareholders,
- the environment protection,
- data about association for the Investment Fund Management,
- data about the depositary bank and
- other issues in accordance with Law.

**Fund Firm**

Article 2

The firm’s name is: Closed-End Investment Fund with a Public Offering “Invest nova fond” ad Bijeljina.

The abbreviated name is: ZIF “Invest nova fond” ad Bijeljina.

## **Fund Head Office**

### Article 3

The head office of the Fund is in Bijeljina, 11 Gavrića Principa Street.

### Article 4

The Fund possesses a seal containing Firm's name and the head office.

The Association for Investment Fund Management shall determine shape and size, as well as the usage of the seal by their act. The Fund possesses a registered trademark consisting of stylised graphics of the Firm determined by decision of The Association for Investment Fund Management.

## **Fund Activity**

### Article 5

The subject of business operations of the Fund is collecting monetary assets by public offering of proprietary transferable shares and investing those resources with respect to principles of security, profitability, liquidity and risk dispersion.

## **Date of Establishing and Lifetime of Fund**

### Article 6

The Fund is established by transformation of the Privatisation Investment Fund "Invest nova fond" ad Bijeljina, in accordance with decision about Fund transformation passed by the Fund assembly.

The Fund assembly adopts the Prospectus of the Closed-End Investment Fund with a Public Offering and the statute of closed-end investment fund with a public offering. The Closed-End Investment Fund with a Public Offering "Invest nova fond" ad Bijeljina is a legal inheritor of the Privatisation Investment Fund "Invest nova fond" ad Bijeljina.

The Fund is established for indefinite period of time and shall stop operating only in cases and in a way determined by the Law on Enterprises and the Law on Investment Funds.

## **FUND CAPITAL**

### **1. Amount of Capital**

#### Article 7

The capital of the Fund is BAM 187,191,287.00 and is paid completely.  
Issue premium of the Fund is BAM 2,619,595.00.

### **2. Increase and Decrease of Fund Capital**

#### Article 8

The decision on increase and decrease of the Fund capital is made by the assembly of the Fund, in accordance with the Law on Enterprises and the Law on Investment Funds.

## **SHARES**

### **1. Number of Shares**

#### Article 9

The Fund capital is divided into 187,191,287 shares, with the nominal value of BAM 1 per share.

The Fund shares have the serial mark “A”.

## **2. Type of Shares**

### Article 10

All Fund shares are ordinary, named and unlimitedly transferable.

Each share corresponds to one vote in the Assembly of the Fund.

The Fund can issue only ordinary shares.

Shares are issued only with public invitation – the Prospectus of the shares issuing, made in accordance with Law and approved by the Commission for Securities of Republic of Srpska (hereinafter: Commission).

### Article 11

The Fund shareholder, proportionately to the nominal value of his shares, has right:

1. to vote at the assembly of the Fund,
2. on dividend,
3. on selling shares in the Fund,
4. on participation in a part of liquidation mass of the Fund,
5. on being informed on time (to have insight into semi-annual and annual financial report of the Fund).

### Article 12

The Fund shareholder is not responsible for obligations of the Fund but bears risk of the Fund business operating with loss, up to the amount of his part of the Fund capital.

## **Payment of Shares**

### Article 13

The shares of all issuing are paid in cash (BAM), on the Fund account at a business bank, or at depositary bank in set deadlines determined in the Decision about issuing and in the Prospectus of shares issuing.

## **Transfer of Shares**

### Article 14

The association for Investment Fund management shall, after the issuing has been completed, register the Fund shares into the Central Registry of Securities (hereinafter: the Central Registry). The association shall, after the issuing has been completed, quote the shares on exchange price quotation at Banja Luka stock market.

### Article 15

The decision about the quotation of the Fund shares on other markets or regulated public markets is passed by the Board of Directors of Association.

## **Registry of Shares**

### Article 16

The Fund shares are issued in non-materialised form.

The Fund shares are kept in a form of electric record on the securities account of the issuer and in proprietary accounts of shareholders of the Fund in the Central Registry.

#### Article 17

The fund shareholders obtain the right of managing the Fund shares after their registration in the Central Registry. The annual reports on shares shall be delivered to the shareholders in the name and for the name of the Fund by the Central Registry or the bank depository of the Fund.

#### Article 18

The Fund can not obtain the proprietary shares, except the shares obtained for the purpose of buying and withdrawing, and every legal business in which the Fund would obtain the proprietary shares would be annulled.

#### Article 19

The Association can obtain the Fund shares on the basis of paying the commission for managing the Fund, in accordance with the Contract about managing the Fund. The Association can not sell or in any other way manage the shares thus obtained, while managing the Fund.

#### Article 20

The Fund can not be credit indebted, for the purpose of buying the securities or any other assets on their behalf. The Decision of the credit indebting of the Fund is passed by the Board of Directors of the Association, after the opinion of the Supervisory Board has been obtained.

#### Article 21

The Fund can not financially stimulate or help its shareholders.  
The Fund can not give credits or other money loans to natural or legal entities.  
The Fund can not in its name and for its account issue bonds.

### **Fund Authorities**

#### Article 22

The Fund Authorities are: The Assembly of the Fund and Supervisory Board of the Fund. For authority, summoning and holding of the Fund Assembly the Law on Enterprises the Law on Investment funds is applied.

#### Article 23

The Fund Assembly consists of the Fund shareholders.  
The Fund Assembly can be summoned by:  
-the Board of Directors,  
-Supervisory Board  
-a shareholder or a group of the Fund shareholders with 10% or more of shares in the capital of the Fund.

#### Article 24

The Decision on summoning the Fund Assembly is published in one daily newspaper at least, covering all the area of Republic of Srpska.

#### Article 25

The Right to participate and to vote at the Fund Assembly shareholders acquire in accordance with the Law on Enterprises. The shareholders can vote in person or by post and can give certified authorisation to a person to vote instead.

#### Article 26

The Assembly of the Fund is summoned by the Association for Investment Fund Management once a year at least, and also an emergency meeting can be summoned when it is in the interest of the Fund.

#### Article 27

The Association has to summon the Fund Assembly if, in a written form, demanded by one or a group of shareholders who possess or represent 10% or more of the Fund capital. Obligation of one or a group of shareholders is to, in a written form, state the reasons for summoning the Fund Assembly and to propose issues to be discussed by the Assembly. In case of not summoning the Assembly on demand of one or a group of shareholders within 15 days from the day of submitting the request the Assembly can be summoned by shareholders.

#### Article 28

The invitation for the Fund Assembly has to contain:

- the agenda of the Fund Assembly
- place, date and time of the meeting
- information about required quorum for holding a regular or repeated Assembly of the Fund
- information about the place and the way of obtaining and getting insights into materials for the Fund Assembly.

#### Article 29

The first publishing of the invitation for the Assembly has to be at least 21 days before the meeting whereas the last publishing has to be at least 7 days earlier.

#### Article 30

The Assembly is presided by the chairperson, chosen by the Fund shareholders.

#### Article 31

The Fund Assembly within its authority operates the following businesses:

- adopts the Statute,
- chooses, revokes and suspends the president and members of Supervisory Board of the Fund,
- adopts the program of investments goals and investment policy of the Fund for each business year,
- adopts the annual report about business operations, with the annual balance sheet and financial reports, the opinion of an independent audit and the report about the realisation of the Fund Program of investment goals and investment policy,
- reaches the decision about distribution of profit or decision about coverage for losses per annual balance sheet of the Fund,
- reaches the decision about the payment of dividends to the Fund shareholders,
- reaches the decision about the Fund capital increase or the Fund capital decrease,
- decides about a termination of the Fund business operations in accordance with Law,
- gives its consent to the Contract about the Fund management and to the Contract with the depositary,
- reaches the decision about electing the audit of the Fund and
- decides about other issues in accordance with Law and the Commission for securities

#### Article 32

The Assembly can reach valid decisions if the shareholders, attending in person, voting by post or by an authorised person, have or represent at least 30% of the Fund shares.

#### Article 33

The repeated Assembly can reach valid decisions if the shareholders, attending in person, voting by post or by an authorised person, have or represent at least 30% of the Fund shares.

#### Article 34

By votes, which represent at least three fourths of the total Fund capital, at the Fund Assembly, are reached the decisions about:

- a) an increase of the annual compensation to the managing association above the amount stated in the Fund Prospectus,
- b) the change of the investment goals of the Fund by comparison with the goals stated in the Fund Prospectus
- c) obtaining proprietary shares for the purpose of their withdrawal and
- d) uniting and merging with another fund that is splitting of the Fund

About issues within its authority the Fund Assembly decides in accordance with the Law on Enterprises.

The decision about contract cancellation of the Fund management shall be regarded as valid if it is reached by one or a group of shareholders who have or represent at least 20% of the Fund shares.

### **Fund Supervisory Board**

#### Article 35

The Fund Supervisory Board consists of five members, elected by the Fund Assembly for the period of four years, after which they can be re-elected.

#### Article 36

The Assembly can revoke the members of the Supervisory Board before their mandate expiration.

#### Article 37

For members of the Supervisory board can be elected those who fulfil the conditions passed by the Law on Investment Funds.

#### Article 38

For members of the Supervisory Board can not be elected:

- members of the Board and the Supervisory Board of management company, members of the Board of a bank depositary, broker company or banks authorised for business operations with securities, Board members of Insurance companies or Privatisation Pension Fund, in the period of revoking the Certificate to commence business by regulatory authorities in the period of three years from the day of revocation,
- persons who lost membership in a professional society for non compliance with the Rules of Practice or to whom was declared the measure of revoking the Certificate to commence business with securities by the Commission or other relevant regulatory authorities,
- persons who are convicted for crime against the property, crime against the Economy and payment operations from the Criminal Law of Republic of Srpska for the period

of one year from pronouncing the verdict , without the period of serving the punishment,

- persons convicted for the crime of non-authorized use and disclosure of confidential information, manipulation on the market and spreading incorrect information, stating incorrect information in the Prospectus of the Fund and its illegal distribution, non-authorized quotation of securities on the market or other regulated public markets and for the period of one year from pronouncing the verdict without the period of serving the punishment,
- persons with prohibition of commencing the business, activities and duties as precautionary measurements, completely or partially comprised with the subject of business operations of the Fund or management company, until the prohibition has ended,
- persons with The Certificate to commence business being revoked
- persons with the permit of the Commission or other regulatory authority for performing operations of a broker or an investment advisor, actually performing those operations as employed in a broker company or a bank authorised for doing business with securities and
- persons having duties in an administrative service and employed in republic or local government, in authorities responsible to the Government of Republic of Srpska or relevant authorities in another state.

#### Article 39

Supervisory Board performs the following:

- conducts the control of practical application of the Contract of the Fund management
- gives its opinion about the annual program of investment goals and investment policy of the Fund
- gives its opinion about the annual report about business operations of the Fund
- gives its assent to: more important contracts concluded by management company in the name of and for the account of the Fund; decisions made by the Company Board of Directors: on selling securities and other Fund assets from the Fund portfolio, on buying securities and other Fund assets in the name of and for the account of the Fund and on the higher financial payments made from the Fund accounts,
- gives its opinion on decisions about the allocation of the Fund yield and on the loss coverage of the Fund,
- gives its opinion on decision about the dividend payment to shareholders of the Fund
- considers the report of the Fund independent auditor,
- establishes its own Rules of Procedure and
- performs other activities in accordance with law, Commission acts, management company acts and the Fund assets

#### Article 40

Supervisory Board, apart from authorities provided by the Law on Enterprises, performs the following activities:

- a) gives its assent to conclusion of a contract with parties who provide services for the Fund where these contracts may not be concluded for the period of time longer than three years,
- b) supervises the fulfilment of the contract from item a) of this article where the Supervisory Board may terminate the contract in case of constant breach of conditions, and in that case neither remuneration which shall be attained after the contract



termination, may not exceed the sum of three – months remuneration anticipated by terminated contract,

- c) supervises the compatibility of business activities and law regulations, with the Fund Prospectus regulations and with limitations of investments of the particular fund,
- d) gives its assent to decision by which the Fund assembly shall be proposed with decision making concerning redemption of shares, shares issuing and the fund restructuring,
- e) reports to Commission every management company and bank failure in the implementation of law and other regulations,
- f) gives its opinion on the Fund financial reports,
- g) signs contracts with new management company, in case of revocation of the management company certificate to commence business, or occurrence of some other circumstances which make impossible the continuation of performing the Fund managing activities,
- h) signs contracts with other depository bank, in case of revocation of the depository bank certificate to commence business, or occurrence of some other circumstances which make impossible the continuation of performing agreed activities.

#### Article 41

Supervisory Board of the Fund may validly make decisions, if more than half of the whole number of members attend the Board meeting.

#### Article 42

Supervisory Board of the Fund is obligated to sign the Contract on management with some other management company, in case of revocation of the management company certificate to commence business or occurrence of any other circumstances which prevents the management company to manage the Fund, within 60 days from the date of occurring of some of these circumstances.

#### Article 43

Supervisory Board of the Fund is obligated to sign the Contract on management with some other depository bank, in case of revocation of the Fund depository bank certificate to commence business or occurrence of any other circumstances which prevents depository bank from the Fund managing activities, within 60 days from the date of occurring of some of these circumstances.

### **PLEADING AND REPRESENTING OF THE FUND**

#### Article 44

In legal transactions, the Fund acts on behalf of itself and for its own account, only in relation to management company, whereas in all other legal activities, the Fund shall be pleaded and represented by the management company.

#### Article 45

Directorate of management company has authorities, is appointed, acts as the Fund directorate and manages the Fund, in accordance with the Contract on management, concluded on behalf of the Fund and in accordance with the Law on Investment Funds, with management company by Supervisory Board.

Authorities of the Directorate of management company, ways of performing business and making decisions are arranged by the management company Statute.

## RELATIONS BETWEEN FUND AND MANAGEMENT COMPANY

### Article 46

The Fund transfers its right to management and business operations to management company. Management company in its running business operation of managing the Fund, acts in legal transactions on behalf of and for the account of the Fund.

The Fund and management company shall conclude the Contact on mutual rights and duties concerning business operation of managing the Fund.

The Fund transfers right to vote from the securities which are in the Fund portfolio, to management company.

Management company is obligated to deal its own business operations and assets apart from business operations and assets of the Fund.

## DESCRIPTION OF FUND INVESTMENT OBJECTIVES; WAY OF FUND OBJECTIVES REALIZATION; RISKS CONNECTED WITH PORTFOLIO STRUCTURE AND INVESTMENTS

### Article 47

The Fund investment objective shall be long – term fulfilment of stable returns, through the Fund assets investment in shares and bonds of domestic and foreign legal issuers.

The Fund investment objective shall be the shareholders debt securities index replication.

Options and futures transactions and other instruments and techniques may be allowed only for the purpose of ensuring of demand and the Fund assets, along with the appreciation of the safety principle, profitability, liquidity and risk dispersion.

### Article 48

Management company shall pursue medium – risk policy of investing the Fund assets.

### Article 49

Management company shall pursue the Fund investment policy by investing in:

- long – term and short – term securities
- the investment funds stakes and shares
- monetary market instruments
- monetary deposits
- real estates

The Fund may acquire, without any limitations, debt securities issued by Republic of Srpska or guaranteed by Republic of Srpska.

### Article 50

In the Fund securities portfolio may exist:

- securities traded on: stock market or other regulated public markets in Republic of Srpska, Federation of Bosnia and Herzegovina stock markets, markets of member countries of the EU and on markets in member countries of OECD,
- Securities traded in: Croatia, the Former Yugoslav Republic of Macedonia, Serbia, Montenegro, Albania, Moldova, Ukraine and Russia,
- Debt securities issued by: Republic of Srpska, Bosnia and Herzegovina and local authorities of Republic of Srpska,
- State and municipal securities issued in member countries of the EU, OECD and CEFTA,

- debt securities issued by legal entity with the head office in Republic of Srpska or Bosnia and Herzegovina
- stakes in open – end investment funds or shares of closed – end investment funds, which mainly invest in debt securities traded on stock markets and other regulated public markets in member countries of the EU, OECD, Cefta, as well as in: Croatia, the Former Yugoslav Republic of Macedonia, Serbia and Montenegro,
- stakes in open – end investment funds or shares of closed – end investment funds, which mainly invest in propriatery securities traded on stock markets in Republic of Srpska, Bosnia and Herzegovina or other regulated markets in member countries of the EU, OECD, CEFTA, as well as in: Croatia, the Former Yugoslav Republic of Macedonia, Serbia and Montenegro, and
- stakes in open - end investment funds or shares of closed – end investment funds, which mainly invest in monetary market instruments, which are traded on stock markets in Republic of Srpska and in Bosnia and Herzegovina, or other regulated stock markets in member countries of the EU, OECD, CEFTA, as well as in: the Former Yugoslav Republic of Macedonia, Serbia, Montenegro and Croatia.

#### Article 51

The Fund may posses maximum of 25% of shares with one issuer right to vote or securities from the same bond issuing.

The Fund shall invest the maximum of 15% of net asset in securities of one issuer, and in case of index replication, up to 30% of the Fund net asset may be invested in securities of one issuer.

The Fund may invest maximum 20 of net asset of its property in stakes and shares of an investment fund, where the investment may not exceed 25% of net asset value of particular fund that have been invested in.

Maximum of 20% of the Fund net asset may be invested in the same bank as a deposit.

#### Article 52

The Fund may invest in short – term securities of Republic of Srpska and of other issuers, therewith such invested assets shall be considered as monetary deposit.

#### Article 53

Investment in the fund imply the assumption of certain risks.

The risk on investment on capital market is probability or possibility for not making expected return from investment in fund or possibility fund to present the loss.

Unsatisfactory return or loss from investment in fund may arise as a result of:

- price variation risk of financial instruments ( market risk),
- change rate risk ( currency risk),
- credit risk,
- liquidity risk,
- tax regulations change risk, and
- due to net assets value change of the Fund assets

Price variation risk of financial instruments (market risk).

#### Article 54

The Fund shall invest its assets in financial instruments whose price tends to change on a daily basis, in accordance with strategy and restrictions from the Statute and the Fund Prospectus.

The price fall of an individual instrument in which the Fund asset is invested may lead to reduction of return on investment.  
Change rate risk ( currency risk).

#### Article 55

The Fund assets may be invested in financial instruments denominated in various currencies, where that part of assets shall be exposed to change rate risk of certain currencies in relation to BAM, which is clearing currency by which the return on investment in the Fund assets shall be measured.

Credit risk.

#### Article 56

Credit risk presents probability that issuers of financial instruments which are included in the Fund assets shall not completely and partially settle its obligations, and that shall have negative effect on liquidity and the Fund assets value.

Liquidity risk.

#### Article 57

Liquidity risk presents probability of impossible rapid sale of the Fund assets, at the price which is approximately equals to fair value of that asset.

Tax regulation change risk.

#### Article 58

Tax regulations change risk presents probability that tax regulations in Republic of Srpska and Bosnia and Herzegovina, or abroad may change in a way which shall have negative effect on the Fund yield.

This risk is completely out of control and management company impact.

Net assets change of the Fund.

#### Article 59

The Fund assets value is susceptible to constant changes with regard to the Fund portfolio structure, types of assets in which fund invests and techniques of managing the Fund.

### WAY OF OBTAINING FINANCIAL REPORTS; PROSPECTUS; STATUTES AND ADDITIONAL INFORMATION ON FUND

#### Article 60

Annual, semi – annual and three – months financial reports, sample of the Fund Prospectus, sample of the Fund Statute as well as other information on the Fund business operations may be obtained in management company head office and are available on the website of management company.

### FINANCIAL REPORTS AND THEIR PUBLISHING

#### Article 61

Management company is obligated to write three – months, semi – annual and annual financial reports for the Fund, which shall include at least all data from the Law on

Investment Funds, and shall be written in accordance with accountancy and financial reporting regulations and standards.

Authorized auditor who has concluded the Contact on audit with the Fund, conducts audit of an annual balance sheet.

Management company is obligated to supply these reports to the Commission for securities, in set deadlines.

#### Article 62

The Fund financial reports( three – months, semi – annual and annual) shall be submitted to the Fund prospectus and the last semi – annual or annual calculation of the Fund shall be submitted to each party who registers the Fund shares, during new issuing of the Fund.

#### Article 63

Management company is obligated to publish the Fund net assets at least once a month in daily papers, which are published in the whole territory of Republic of Srpska and on its website.

### MANNER AND TIME OF FUND ASSETS VALUE CALCULATION

#### Article 64

The Fund net assets value presents total value of the Fund assets reduced by the Fund obligations.

The Fund asset value is calculated by the management company once a month, in accordance with the Law on Investment Funds and the bylaw on calculation methodology of the Fund assets net value, which is enacted by the Commission for securities.

### FUND EXPENDITURES

#### Article 65

Management company shall calculate the Fund expenditure on actual method, that is to say on actual price of provided service.

Whole amount of all expenditures entered in the name of the Fund shall be determined in accordance with the Law on Investment Funds regulations, but in such a manner as to whole Fund expenditure may not be higher than 3,5% of the average fund assets net value.

#### Article 66

Management company shall remunerate and calculate 2, 00% commission on average fund assets net value, in a period of one business year.

Final amount of annual commission shall be determined on 31 December of the running year, based on the Fund final depositors report; then, advanced commissions paid in the course of the year shall be reduced from that amount.

#### Article 67

Following reimbursements and expenditures may be calculated and put on the account of the Fund assets:

- reimbursement for management company, in accordance with the Statute, Prospectus and the Contract on management,
- reimbursements for the Fund depositors bank, depending on the Fund net asset value, enlarged for tax obligations if they are to be calculated,
- reimbursements and expenses of members of the Fund Supervisory Board,
- commissions or taxes directly connected with acquiring and selling the Fund assets,

- reimbursements and expenses of keeping the shares registry and expenses of the dividend payment to Fund shareholders,
- expenses of holding the Fund assembly annual meetings, except for expenses of the Fund emergency meetings assembled by management company, which shall be put on the account of management company,
- reimbursements which shall be paid to Commission, concerning issuing of certificate to commence business to closed – end investment fund,
- expenses of the Fund portfolio securities registration in stock market or in other regulated market,
- property and income taxes, the Fund is obligated to pay,
- advertising expenses, but only when it is necessary for the Fund to announce in accordance with law
- other taxes and reimbursement regulated by special legislation

## BUSINESS BOOKS; CONDITIONS AND WAY OF ALLOCATION OF YIELD AND BEARING RISKS

### Business books

#### Article 68

Management company is obligated to keep the Fund business books apart from management company business books, in accordance with law and other regulations.

### Yield and dividend

#### Article 69

Manner and calculation of the Fund yield for each business year shall be regulated by law.

Business year shall coincide with the calendar year.

Management company, in accordance with law and the Fund annual balance sheet, shall determine the Fund financial result, and allocation of determined yield shall be done in accordance with the Fund assembly decision.

Part of the Fund yield which is allocated in dividend shall be reimbursed to the Fund shareholders, in accordance with the Fund assembly decision.

Management company Board of Directors, with agreement of the Fund Supervisory Board, shall determine decision proposal on the amount rate of yield, as well as on manner and time of dividend payment to the Fund shareholders.

### Fund reserves

#### Article 70

The Fund shall establish obligatory reserve, in accordance with the Law on Enterprises.

In case of yield allocation to obligatory reserve, the Fund is every year obligated to isolate at least 5% of the yield for the purpose of allocation, until reserves reach 10 % of the Fund capital assets.

### Fund status changes

#### Article 71

The Fund division, the Fund merger with other fund and other Fund status changes shall be enforced in accordance with the Law on Enterprises, Commission regulations and this Statute.

Fund liquidation and rights of Fund shareholders

#### Article 72

The Fund liquidation shall be performed according to procedure which is regulated by the Law on Enterprises.

#### Article 73

In case of the Fund liquidation, right to part of the Fund liquidation volume shall refer to the Fund shareholders.

#### Environment protection

#### Article 74

The Fund is obligated to comply with the Environment protection regulations, within its activities.

#### Management company

#### Article 75

Investment fund management company » Invest nova« AD Bijeljina shall manage the Fund. Head office is in Bijeljina, 11 Gavrića Principa Street. Management company was established on 01 March 2007, and it obtained permit to continue business operations by the Commission for Securities of Republic of Srpska resolution, No: 01 – UP – 041 – 1215 / 07 on 05 April 2007.

Management company members are management company shareholders, beginning with ordinal number 1 and ending with ordinal number 82.

Object of management company business operations shall be establishing and managing of investment funds, in other words investment of monetary assets in its own name and for the account of stake owner of open – end investment funds and in the name and for the account of closed – end investment funds and managing other activities regulated by the Law on Investment Funds and the Law on Enterprises.

Management company capital assets amounts 1.560.000,00 BAM and is completely paid in the money.

Management company shall not manage other funds.

Investment fund management company, according to the Law on activity classification and registry of units of classification (»Official Gazette of Republic of Srpska«, No 113 / 04), is classified as class 65230 – other financial intermediation.

#### Article 76

By the entry into force of this Statute, the Statute of PIF »Invest nova fond« AD, Bijeljina, No: UO – IV / 02 from 18 April 2002, with decision on amendments to the Statute PIF, No: SK – I – 06 / 02 from 27 December 2002, and decision on second amendments of the Statute of PIF, No: SK – V – 02 / 05 from 11 November 2005, shall expire.

#### Article 77

This Statute shall come into force on the coming day from the day of obtaining the Commission agreement.

In Bijeljina, 17 April 2008

No: SK – 01 / 2008

ASSEMBLY CHAIRMAN  
Petar Mitrović