

MERMEREN KOMBINAT A.D. PRILEP

No.

Prilep, 24.05.2013

According to the provisions in article 417 and 418 of the Law on Trade companies and article 27 from the Statute of Mermeren Kombinat AD Prilep, (“the Company”) on the session of the General Assembly of the Company held on 24 May 2013, pass the following:

DRAFT DECISION
To amend the Statute
of Mermeren Kombinat AD Prilep

Article 1

After Article 18, a new Article 18a is added to read:

The Board of Directors of the Company is authorized to make advanced payment of dividend to the stockholders, during the business year based on the periodical statement or the periodical financial statements for the three, six, that is nine months, audited by the an authorized auditor of the Company.

The Board of Directors may make the advanced payment of dividend only up to the amount of the profit gained for the period for which the advance of the dividend is paid, where it cannot exceed the total profit gained during the previous year approved with the annual account, increased with transferred, but not distributed profit from previous years and with the reserves that can be distributed for this purpose, decreased by the amounts that are to be allocated for legal reserves and by the reserves determined with the company’s agreement, that is the Statute, for the period for which the advanced payment of dividend is calculated, if the loses from previous years have not been covered, or if they have not been covered with the latest approved annual account due to any reasons.

For the purposes of making the advanced payment of dividend, an approval is needed from all non-executive members of the Board of Directors.

Article 2

Article 27, paragraph 1, points 4 is amended to read:

4) Election and Dismissal of the members of the Board of Directors;

In article 27, paragraph 1, point 7 is amended to read:

7) Appointment of authorized auditor to audit the annual account and other financial statements;

Article 3

Article 28, paragraph 2 is amended to read:

The meetings of the assembly are convened by the Board of Directors.

Article 4

Article 30 is amended to read:

The request for convening the assembly may be submitted by stockholders holding at least one tenth of all voting shares. In the request submitted in writing, the shareholders requesting the convening of the assembly shall have to state the purpose and reasons for convening the assembly, their name and surname, place of residence and ID number, that is the business name, head office, and registration number if the stockholder is a legal entity. Together with the request the stockholders shall enclose an excerpt from the stockholders book, issued by the Central Securities Depository, stating the number of voting stocks they own in the Company.

The request shall be submitted to the Board of Directors, at the Company's head office. The request may be contained in a single document, or it may consist of two or more documents signed by the stockholders holding at least one tenth of the total number of voting stocks.

The Board of Directors, shall, within a time period of eight days as of the day of acceptance of the request of the stockholders for convening the assembly, adopt a decision to accept or refuse the request. The decision for refusal of the request shall state the reasons for the refusal.

If the Board of Directors fails to adopt a decision within the time period referred to in paragraph (3), or rejects the request for convening a meeting, the court may upon a proposal adopt a decision for convening the assembly.

The costs for holding the assembly, as well as the court expenses and the lawyer costs if the court approves the request, shall be borne by the Company. If the court rejects the request, all costs shall be borne by the proponent.

Article 5

Article 45, paragraph 1 is amended to read:

The Board of Directors may have maximum 7 (seven) members, out of which the number of executive members shall be less than the number of non-executive members.

Article 45, paragraph 5 is amended to read:

Executive directors from the elected members of the Board of Directors are appointed by the Board of Directors. Executive director of the Board of Directors cannot be a member who has been elected as an independent member of the Board of Directors.

In case of appointing only one executive member of the Board of Directors, he/she shall have the title **Chief Executive Officer**. In case of appointing several executive members, the members of the Board by a majority vote will decide which member shall have the title **Chief Executive Officer**, and who will be responsible for personnel issues and relations.

Article 6

Article 49, paragraph 3, item 13 is deleted.

According to the above, item 14 becomes item 13, item 15 becomes item 14, item 16 becomes item 15, item 17 becomes item 16.

Article 7

Article 51, paragraph 1 is amended to read:

The Board of Directors may operate and adopt decisions, if at least one half of all its members are present at the meeting, out of which the number of the present non-executive members of the Board of Directors shall have to exceed the number of the present executive members of the Board of Directors.

Article 8

Article 56, paragraph 2 is deleted.

Article 9

Article 61, paragraph 1 after item 10, a new item is added to read:

11. Decides on the need of new employments.

Article 10

Article 66 is amended to read:

Employment, salaries and other employment rights will be regulated with collective agreements as well as rules, rulebooks and other general acts.

Article 11

An integral part of this decision is the consolidated text of the Statute of the Company.

This Decision shall be in effect as of the date of its adoption.

Chairman of the Assembly
