

Pursuant to the Article 28.2a of the Statute of the Foreign Investors Council dated December 20th, 2022, the Board of Directors, on the session held on February 6th, 2024, reaches the following:

**INTERNAL RULES OF PROCEDURE OF
THE BOARD OF DIRECTORS OF THE FOREIGN INVESTORS COUNCIL**

The present Rules of procedure regulate field of work of the Board of Directors, convening sessions, manner of work of the Board of Directors on the sessions, rights and obligations of the Board of Director's members, decisions-making process and other issues.

**I GENERAL PROVISIONS
Authorisations, structure, manner of election of members and mandate**

**Structure and authorisations
Article 1**

Pursuant to the FIC Statute, the Board of Directors has nine (9) to eleven (11) elected members and performs the following activities stipulated by the Statute:

- a. Adopts organisational rules and Rules of procedure for its activities,
- b. Ensures compliance with the Statute and implementation of decisions,
- c. Adopts decisions on opening or closing branches,
- d. Manages the current affairs of the Council, adopts programs, development plans and special tasks, as well as decides on the organization and participation of the Council in important public events, cooperation with other organizations and institutions, in accordance with the Council goals,
- e. Approves the basic structure and functioning principles of specialised working committees of the Council and relieves the presidents and vice presidents of the said Council committees,
- f. Adopts decisions on dismissal of the President and Vice President of the Working Committee under following criteria: (i) absence from three consecutive meetings of the Working Committee; (ii) lack of active participation in the formulation of views of the Council by the Working Committee (i.e. position papers); (iii) absence from the meetings with relevant stakeholders; and (iv) in all other cases which the Board of Directors assesses as negligent,
- g. Adopts and submits the annual report on Council activities to the Assembly of the Council for discussion and final adoption - the report should also contain the individual reports of each specialised working committee and reports on other activities, which can be requested by the Assembly of the Council,
- h. Adopts the preliminary financial plan and submits the preliminary report on its implementation to the Assembly of the Council, submitting proposals for partial changes and amendments of the budget, including the introduction of new expenditure items if additional funding sources are acquired following the adoption of the budget,
- i. Adopts the final annual financial report, based on preliminary report adopted by the Assembly of the Council,
- j. Approves the Rules of Procedure on balance sheets, salaries, and other internal acts of the Council, proposes the amounts and amendments to admission and membership fees, adopts decisions on establishing funds and decides how funds will be raised and spent,
- k. Adopts the membership payment system and decides on similar issues,
- l. Manages the assets of the Council, adopts decisions on the use of the assets of the Council in order to protect and increase these assets,
- m. Approves the prices of publications, information, and other activities of the Council,

- n. Decides on the membership of the Council in other Serbian or international non-profit organisations,
- o. Adopts decisions on other matters envisaged in accordance with this Statute.

Institutional member – international financial organisation as member of the board of directors has the right to actively participate in the work of the board of directors, but without voting right and is not counted into quorum.

Manner of election of the members and mandates

Article 2

Members of the Board of Directors are elected individually.

Each Council member, except institutional members, may submit nomination for the positions of the member of the Board of Directors.

A Board member must be represented by a representative of the legal entity provided by law.

The proposed nominations must be submitted to Executive Director of the Council in writing at the latest eight (8) days prior to the date of the session of the Assembly of the Council and must be submitted to all members of the Council at the latest seven (7) days prior to the date of the session of the Assembly of the Council.

Nomination for the member of the Board of Directors must contain a short biography and unambiguously reflect the will of the candidate to be nominated as a member of the Board of Directors (it must contain the candidate's signature; the nomination must be sent from the nominee's official email address or in a copy of that email or to another appropriate way).

The Assembly of the Council elects the Board of Directors in accordance with the Statute provisions.

At the first meeting of the Board of Directors, elected Board of Directors appoints a President of the Board of Directors and two Vice Presidents, one as a substitute for the President and other to be authorized to speak on behalf of Council in public.

Institutional members – international financial institutions become members of the board of directors upon accepted invitation of the board of directors and without elections by the assembly of the council.

The mandate of the Board of Directors lasts three (3) years and begins on the first day of the calendar month that starts following the month when elections are held. The members of the Board of Directors whose mandate has expired are obliged to perform their duties until the date when the newly elected members begin their mandate, and upon expiry of this period, they can be re-elected to this function.

The mandate of the institutional member – international financial organisation is unlimited and expires upon expressed will.

Vacant seats

Article 3

If a member of the Board of Directors ceases to be the Member Representative, the Council member has the right to appoint a new Member Representative to fill the vacant seat on the Board of Directors at the next Board meeting.

If the President of the Board of Directors leaves the Board, that seat is taken by the current Vice President elected as his substitute. If one of the Vice President of the Board of Directors leaves the Board, the Board of Directors elects a new Vice President for that position.

If a member of the Board of Directors or his designated substitute is absent from three consecutive meetings, the Board of Directors has the right to decide on the expulsion of that Council member from the Board.

In case of expulsion or withdrawal of the member from the Board of Directors, the vacant seat can be filled by the newly elected member at the next session of the Assembly.

If the number of members of the Board of Directors drops below nine members, the election of new members of the Board of Directors to fill vacant seats will take place at the next session of the Assembly of the Council.

II SESSIONS (MEETINGS) OF THE BOARD OF DIRECTORS

Convening the session

Article 4

The Board of Directors convenes regularly once per month in the timing determined by the decision of the Board of Directors. Meetings under the authority of the President of the Board of Directors are convened by the Executive Director, via post, e-mail, fax, or phone, no later than eight (8) days prior to the meeting.

An extraordinary meeting of the Board of Directors may be convened at the request of one member of the Board of Directors, submitted via post, e-mail, fax, or phone, at least eight (8) days prior to the meeting.

The sessions shall be held in the Council's premises as a rule unless the President of the Board of Directors decides otherwise due to justified reasons.

Duration of the meeting should be maximum one-and-a-half hour.

Meetings of the Board of Directors may also be held by using conference phone calls or other audio-visual communication equipment, provided that all individuals participating at the meeting are able to hear and talk to each other. Individuals participating in a meeting of the Board of Directors in this manner are considered as being in attendance.

Preparation of the sessions

Article 5

Preparation of the meetings of the Board of Directors is done by the Executive Director, i.e. some other authorised employee in the Council.

The agenda of the regular session, together with the accompanying material is prepared by the Executive Director, after consultations with the President of the Board of Directors, which is, together with the invitation, delivered to all the members of the Board of Directors, at least 8 (eight) days prior to the date of the meeting.

Together with the notice on the extraordinary session of the Board of Directors, the initiator submits a proposal of the agenda and accompanying material to the Executive Director who delivers the invitation to the members of the Board of Directors and persons who will attend the meeting of the Board of Directors, at least three days ahead of the meeting.

When preparing the agenda, the President or other initiator is obliged to incorporate in the agenda those issues which, pursuant to the Statute, fall solely under the competence of the Board of Directors, but other issues as well if there is justified reason for their consideration.

All proposals for amendments and changes of the agenda should be delivered at least 5 days in the case of regular session and 48 hours in the case of extraordinary session, prior to the session date in order to enable the responsible parties to make the necessary changes.

It is possible to deviate from afore mentioned rules only in the case of need for urgent session based on the decision of the President of the Board of Directors. Urgent session of the Board of Directors can have only one issue in the agenda, and all members of the Board of Directors have to be notified at least 24 hours prior to beginning of the meeting.

Chairing the session

Article 6

The President of the Board of Directors shall chair the Session of the Board of Directors, and sign decisions adopted by the Board of Directors.

In the event of the President's absence or when the President is prevented from acting as the President, the sessions shall be chaired by vice-president of the Board of Directors, or some other member of the Board of Directors authorized by the President in written form and in such event this person shall have the rights and authorisations of the President of the Board of Directors of the Council in the President's absence and all other liabilities entrusted by the President. Such authorisation shall be valid only for one session.

Participation at the session

Article 7

Members of the Board of Directors who are unable to attend either the regular session or duly called extraordinary session of the Board of Directors shall be obliged either to propose a company's representative who will Substitute him/her or to justify his/her absence. A proposed Substitute has the same voting rights as other members of Board of Directors.

Executive Director attends meetings of the Board of Directors.

Other invited persons can attend the sessions of the Board of Directors only by invitation of the Board of Directors.

Course of the session

Article 8

The session is opened by the President of the Board of Directors, and in extraordinary cases by vice-president or authorised president, after which it is to be determined if the stipulated number of the members is present for the purpose of valid decision-making process of the Board of Directors.

After afore mentioned actions, the President shall put for voting the minutes from the previous session.

Additional issues accepted by the majority of the present members of the Board of Directors can be included in the agenda.

Remarks and suggestions related to the course of the session can be placed by the members of the Board of Directors any time during the session.

The President shall open discussion on each issue of the agenda and put for voting proposals made after the opening of the session submitted by the members of the Board of Directors.

Course of discussion

Article 9

The President and all the members of the Board of Directors are entitled to speak.

Other persons who attend the session can be invited to discuss issues of the agenda, but do not have a right to vote.

Upon the request of the President, the Executive Director or the authorized person may present item on the agenda, after which the President opens the discussion.

The President shall give the floor based on the gathered applications or in another manner, if the participants agree so.

The President can take the floor, regardless of the sequence of the applicants.

When all the participants in the discussion have taken their part and there are no more remarks, the President shall declare that the discussion is finished.

The chairperson is obliged to provide undisturbed course of work of the Board of Directors during the session.

Should the participant in discussion disrespect the rules of argument, the President can deprive them of right to discussion.

III VOTING AND DECISION-MAKING

Voting Article 10

After the discussion is over, the President shall invite for voting, on which occasion the issue that is to be voted on must be clearly and precisely defined.

A member of the Board of Directors cannot vote within the Board of Directors when deciding on:

- 1) Releasing that member of any liabilities and responsibilities;
- 2) In other cases when the member of the Board of Directors has conflict of interest.

Except as provided herein, the Board of Directors, as a rule, decides by public voting.

As an exception from the provision in the paragraph here above, the Board of Directors decides by secret voting if the majority of the members of the Board of Directors require such way of voting.

After voting, the President shall announce the results of voting and close the voting.

Decision-making Article 11

A session of the Board of Directors shall be considered legitimate if all members are invited and if at least 6 of them are present (quorum).

The Board of Directors of the Company makes decision by the majority of votes of the members present at the session. In case of equal division of votes, the vote of the Chairperson is decisive.

The Board of Directors may reach decisions in absentia, provided records are signed by all members of the Board.

The Board of Directors may take a decision via electronic communication.

IV POSTPONEMENT AND INTERRUPTION OF SESSION

Article 12

The session of the Board of Directors is interrupted when:

- 1) The Board of Directors loses quorum during the session.
- 2) Due to a long duration of the session the same cannot be completed within the scheduled time,
- 3) When there is a serious disturbance of work at the session.

The session of the Board of Directors is interrupted by the President, by advising the present members as to when the session will continue. The interrupted session will continue not later than three (3) days upon interruption of the session.

V MINUTES

Article 13

Minutes are kept by the Executive Director.

Minutes of each session shall contain:

- 1) indication that the session is held by the Board of Directors;
- 2) place and date of session;
- 3) names of the present members and name of the absent members of the Board of Directors;
- 4) names of persons attending the session pursuant to Article 7;
- 5) clear record of proposals and decisions made.

The minutes must be prepared at latest until the next meeting of the Board of Directors, i.e. continuation of session in case of its interruption pursuant to these Rules of Procedure.

IX FINAL PROVISIONS

Article 14

The provisions of the Statute of the FIC shall apply to all issues not otherwise regulated hereunder.

Article 15

The Board of Directors shall be entitled to interpret the provisions of these Rules of Procedure.

Article 16

These Rules of Procedure shall become effective on the date of its adoption by the Board of Directors.

President of the Board of Directors