

**ARTICLES OF ASSOCIATION
OF
INFORMATION SERVICES JSC**

**CHAPTER I
GENERAL PROVISIONS
STATUS**

Article 1 (1) INFORMATION SERVICES JSC is a company limited by shares and a legal entity within the meaning of the Bulgarian law. Hereinafter in these Articles of Association **INFORMATION SERVICES JSC** shall be referred to as *the "COMPANY"*.

(2) *The Company* shall not be liable for the debts of the shareholders. *The Company* shall be liable for its debts by its assets.

COMPANY NAME

Article 2.(1) The name under which *the Company* shall carry out its business shall be **INFORMATION SERVICES JSC**. The name may be abbreviated to IS JSC or with Latin characters to INFORMATION SERVICES JSC.

(2) The company name, registered office and principal place of business, company identification number and bank account shall be specified in the commercial communications *and on the Company's website*.

Article 3.(1) The registered office of the *Company* shall be in the Republic of Bulgaria, city of Sofia.

(2) The principal place of business of the *Company's* shall be in the city of Sofia, Sofia Municipality, Oborishte borough, 2, Panayot Volov Street,

OBJECTS

Article 4.(1) The *Company's* objects shall include: production and trade in Bulgaria and abroad of information products and consumables; scientific research and development; leasing, including financial leasing; renting of own movable and immovable property and equipment; carrying out training and professional qualification for the purpose of income generation; mediation in informing and employing Bulgarian citizens in other countries and Bulgarian and foreign citizens in the Republic of Bulgaria.

(2) *The company* may also carry out any other activity which is not prohibited by the law and is conducive to its main business.

UNION MEMBERSHIP

Article 5. *The Company* may be a member of unions, associations, consortia and other organizations in Bulgaria and abroad in compliance with the effective law.

TERM

Article 6. *The Company* is incorporated for a perpetual term.

CHAPTER II

CAPITAL

AMOUNT OF CAPITAL

Article 7.(1) The capital of the *Company* shall amount to BGN 2 298 495 (two million two hundred ninety-eight thousand four hundred ninety-five), distributed in 2 298 495 (two million two hundred ninety-eight thousand four hundred ninety-five) book-entry registered shares, with a par value of BGN 1 (one) each.

(2) The Government, through the Ministry of Finance, contributes to the capital of the *Company* a non-cash contribution consisting of four immovable properties, a car, technological equipment and office furniture, detailed in Appendix No 1 and Appendix No 2 to these Articles of Association, with a monetary valuation of the contribution of BGN 2 111 000 (two million one hundred and eleven thousand).

(3) The Government, through the Ministry of Finance, contributes to the capital of the *Company* a non-cash contribution consisting of a Siemens telephone exchange, type Hikom 300 E, with a monetary valuation of the contribution of BGN 7 626 (seven thousand six hundred and twenty-six).

CHAPTER III

INCREASE AND REDUCTION OF THE CAPITAL

INCREASE OF THE CAPITAL

Article 8. The capital of the *Company* may be increased upon payment in full of its par value, by a resolution of the *General Meeting of Shareholders (hereinafter the 'General Meeting')* by:

1. issuance of new shares;
2. increasing the par value of the shares;
3. other means provided by the law.

Article 9.(1) The capital of the *Company* shall be increased by raising new funds by resolution of the *General Meeting*. The resolution of the *General Meeting* shall specify:

1. the amount of the increase;
2. the subscription deadline for the new shares;
3. the period within which the shareholders' right to acquire new shares in proportion to their shareholdings shall lapse;
4. the minimum selling price of the new shares if they are to be sold at a price higher than their par value.

(2) Each shareholder shall have the right to acquire a portion of the new shares corresponding to his share in the capital before the increase.

(3) The shareholders' right under paragraph 2 shall lapse within a period to be determined by *the General Meeting*, however at least one month after the publication of the notice to subscribe for the shares in the Trade register. The notice to subscribe for new shares shall be published in the Trade register together with the decision to increase the capital.

(4) The shareholders' right under paragraph 2 may be limited or waived by a resolution of the General Meeting adopted by a majority of 2/3 of the votes of the shares represented. The *Board of Directors* shall submit a report on the reasons for the cancellation or limitation of the benefits and shall justify the issue value of the new shares. The resolution of the *General Meeting* referred to in the preceding sentence shall be submitted to the Trade register for publication.

Article 10. The capital may be increased under condition that shares are purchased by certain persons at a certain price.

Article 11.(1) The *General Meeting* may increase the capital by converting part of the profit into capital.

(2) The resolution to increase the capital referred to in the preceding paragraph shall be taken within three months after the adoption of the annual financial statements for the previous year by a majority of 3/4 of the votes of the shares represented at the meeting.

(3) Upon registration of the resolution to increase the capital under paragraph 1 the balance sheet shall be presented and it shall be indicated that the increase comes from the *Company's* own funds.

(4) The new shares shall be distributed to the shareholders in proportion to their shareholdings prior to the increase.

(5) After the registration of the capital increase, the *Board of Directors* shall promptly invite the shareholders to receive their new shares.

REDUCTION OF THE CAPITAL

Article 12.(1) The capital of the *Company* may be reduced by:

1. reduction of the par value of the shares;
2. cancellation of shares.

(2) The resolution of the *General meeting* under paragraph 1 shall specify the purpose of the reduction and the manner, in which it is to be carried out,

(3) The capital of *the Company* may not fall below the statutory minimum for the capital of the companies limited by shares.

(4) Creditors whose claims have arisen before the publication of the *General Meeting's* resolution to reduce the *Company's* capital in the Trade register shall have the right to request, within 3 months, that their claims be secured or paid as of the date of the publication.

(5) Payments to shareholders in connection with a capital reduction may be made after the expiry of the period referred to in the preceding paragraph and after collaterals have been given or payment has been made to the creditors concerned.

(6) The rules in paragraphs 4 and 5 shall not apply where the reduction of the capital is made for the purpose of covering losses. In that case, the shareholders shall not be released from the obligation to contribute.

(7) The rules in paragraphs 4 and 5 shall not apply also where the capital reduction is carried out with own shares which are fully paid up and have been acquired free of charge or by using funds referred to in article 247a, paragraphs 1-3 of the Commercial Law. In these cases, the provisions of article 187c, paragraph 4 of the Commercial Law shall apply accordingly.

Article 13. Shares may be cancelled either forcedly or after their acquisition by the *Company* through redemption.

Article 14.(1) The shares may be cancelled forcedly:

1. where the full contribution due by a shareholder has not been made;
2. where the par value of the share is changed;
3. where capital is reduced.

(2) The shares shall be cancelled by resolution of the *General Meeting*.

(3) Forced cancellation of shares shall be carried out in accordance with the following procedure:

1. determining the total number of shares to be cancelled;
2. allocation of the shares to be cancelled among the shareholders in proportion to the shares held by each of them. For this purpose, *the Board of Directors* shall publish the forthcoming cancellation of shares in two central daily newspapers, and shall invite all shareholders to declare to *the Company* the number of shares held, giving them at least 1 month to do so.

(4) In respect of shareholders holding insufficient number of shares so that even one of them could not be cancelled, the *Board of Directors* shall determine the amount of the cash contribution payable to the *Company* for each share so held. Such contributions shall be used to compensate other shareholders who have more shares cancelled forcedly than are attributable to them pursuant to the above paragraph.

CHAPTER IV

SHARES

GENERAL PROVISIONS

Article (1) The share is a security attesting that the holder thereof participates with the par value specified therein in the capital of the *Company*.

Each share entitles the holder to one vote in the *General Meeting*, the right to a dividend and a liquidation bonus proportionate to the par value of the share.

The shares are indivisible. Where a share is owned by several persons, they shall exercise the rights attached to it jointly by appointing a proxy in writing.

Art.16. (1) *The Company* shall issue book-entry shares.

(2) The issue and disposal of book-entry shares shall be carried out in accordance with the procedure established by the law.

(3) The transferor of shares which are not paid up or from which arise other obligations to the *Company* shall be jointly and severally liable with the transferee. The liability of the transferor shall lapse within a period of two years from the date of registration of the transfer.

ACQUISITION OF OWN SHARES

Article 17.(1) *The Company* may acquire its own shares.

(2) The acquisition referred to in the preceding paragraph shall be made under the terms of article 187a, article 187b, article 187d, article 187e and Article 187f of the Commercial Law.

CONTRIBUTIONS

Article 18.(1) The shareholders shall make cash contributions covering the issue value of the shares subscribed by them within the deadline determined by the *General Meeting*.

(2) The contributions referred to in paragraph 1 may be made in full or in part, and shall be remitted to the *Company's* bank account.

(3) The right to dividend and the right to liquidation bonus shall arise upon payment in full of the issue value of all shares subscribed by the shareholder.

CONSEQUENCES OF DEFAULT IN CONTRIBUTIONS

Article 19.(1) Shareholders who fail to make the agreed contributions on time shall owe the *Company* statutory interest for the period of delay. The interest shall be credited to the reserve fund of the *Company*.

(2) Shareholders who are in arrears if they fail to make the contributions due after being given 1 months' notice in writing by the *Board of Directors* shall be deemed to be excluded. The notice must be published in the Register of shareholders unless the transfer of the shares requires the consent of the *Company*.

(3) The excluded shareholder shall lose his shares and contributions. The shares of the excluded shareholder shall be cancelled. *The Company* shall offer new shares for sale in lieu of the cancelled ones. The contributions made by the excluded shareholder shall be credited to the *Company's* reserve fund.

(4) By resolution of the *Board of Directors*, the provisions of paragraphs 2 and 3 of this article may be waived if the shareholder provides proper security. The furnishing of security shall not give rise to the rights attached to the payment of the contribution due.

REGISTER OF SHAREHOLDERS

Article 20. The Register of shareholders shall be kept by the Central Depository JSC.

CHAPTER V
RIGHTS AND OBLIGATIONS OF SHAREHOLDERS
SHAREHOLDERS

Article 21. The shareholders of the Company may be Bulgarian and foreign natural and legal persons.

RIGHTS OF SHAREHOLDERS

Article 22.(1) The shareholders of *the Company* shall have the right:

1. to vote in the *General Meeting*, one share giving the right to one vote;
2. to receive dividends;
3. to receive liquidation bonus;
4. to acquire with preference a portion of the new shares issued upon increase of the capital in proportion to their share in the capital prior to the increase;
5. to receive, upon request, the written materials related to the agenda of the *General Meetings* or to get acquainted with them at the head office of the *Company*;
6. to authorize in writing another person to represent them at the *General Meeting*.

(2) The right to vote at the *General Meeting* shall arise upon the payment of 50 per cent of the issue value of the subscribed shares. The right to vote shall be cancelled if the shareholder is in default in the payment of his contributions against the subscribed shares for the period of the default.

OBLIGATIONS OF SHAREHOLDERS

Article 23.(1) The shareholders of the *Company* shall pay the issue value of the subscribed shares within the time limits specified in these Articles of Association or by resolution of the *General Meeting*.

(2) The shareholders shall not be personally liable for the *Company's* debts.

CHAPTER VI
COMPANY MANAGEMENT BODIES

Art. 24. The management bodies of the *Company* shall be:

1. the General Meeting of Shareholders,
2. the Board of Directors.

CHAPTER VII
GENERAL MEETING OF SHAREHOLDERS
COMPOSITION AND POWERS

Article 25.(1) The *General Meeting* shall consist of all shareholders with voting rights. Shareholders - natural persons shall participate in the *General Meeting* in person or through a proxy authorized in writing. Shareholders - legal entities shall participate in the *General Meeting* through their legal representatives or through another person

authorized by them in writing. A member of the *Board of Directors* may not represent a shareholder.

(2) Holders of shares who are not registered in the Register of book-entry shares may not participate in the *General Meeting*.

(3) The members of the Board of Directors shall participate in the work of the *General Meeting* without voting rights, unless they are shareholders.

(4) Where the number of employees of the Company is more than 50, they shall be represented at the *General Meeting* by one person with the right to cast an advisory vote. Their representative shall have the rights under article 224 of the Commercial Law.

PROCEEDINGS AT THE GENERAL MEETING

Article 27.(1) A *General meeting* shall be held at least once a year at the registered office of the Company. The Ordinary Annual *General Meeting* shall be held not later than 6 months after the end of the financial year.

(2) In the event that the losses exceed one half of the capital, a *General Meeting* shall be held not later than three months after the losses have been established.

(3) The sessions of the *General meeting* shall be presided over by a Chairperson. At each meeting, in addition to a chairperson, a secretary and tellers shall be elected.

CALLING THE GENERAL MEETING

Art. 27.(1) The *General Meeting* shall be called by the *Board of Directors*. It may also be called at the request of shareholders who have held shares representing at least 5 per cent of the capital for more than three months.

(2) Provided that the request of shareholders holding at least 5 per cent of the capital is not satisfied within 1 month or provided that the *General Meeting* is not held within 3 months of the request, the District Court at the Company's registered office shall call the *General Meeting* or shall authorize the shareholders requesting the meeting or their representative to call it. The fact that the shares have been held for more than three months shall be established before the court by a notarized declaration.

(3) Calling shall be made by a notice published in the Trade register at least 30 days before the date of the meeting.

(4) The notice must contain:

1. the company name and registered office of the *Company*;
2. the place, date and time of the meeting;
3. the type of general meeting - ordinary or extraordinary;
4. notice of the formalities needed to attend the meeting and to exercise the right to vote.
5. the agenda of the items to be discussed and specific proposals for resolutions.
6. the place, date and time of the meeting in the event that the meeting referred to in paragraph 2 is not held due to lack of quorum.

ADDING ITEMS TO THE AGENDA

Article 27a.(1) Shareholders who have held shares representing at least 5 per cent of the company's capital for more than three months may, after the notice has been published in the Trade register, add other items to the agenda of the *General Meeting*.

(2) The persons referred to in paragraph 1 shall, not later than 15 days before the opening of the General meeting, submit for publication in the Trade register a list of the items to be added to the agenda, the proposals for resolutions and the written materials related thereto. The fact that the shares have been held for more than three months shall be established by a declaration.

(3) The shareholders shall, not later than the next business day after the notice referred to in paragraph 2, submit the list of items, the proposals for resolutions and the written materials to the registered office and the principal place of business of the company.

RIGHT TO KNOW

Article 28.(1) The written materials related to the agenda of the *General Meeting* shall be made available to the shareholders at the *Company's* registered office not later than the date of the publication of the notice to call the meeting.

(2) Where the agenda includes the election of members of the *Board of Directors*, the materials referred to in paragraph 1 shall also include details of the names, permanent addresses and professional qualifications of the persons proposed as members. This rule shall also apply where the item is included in the agenda pursuant to article 27a.

(3) Upon request, the written materials shall be provided to any shareholder free of charge.

LIST OF PARTICIPANTS

Article 29.(1) A list shall be drawn up for the participation of shareholders at the *General Meeting*. The list shall specify the names of the shareholders present, respectively their proxies, as well as the number of shares held or represented by them.

(2) Shareholders or their proxies shall attest their presence by signature. The list shall be certified by the Chairperson and by the secretary of the meeting.

QUORUM

Article 30.(1) A session of the *General Meeting* shall be lawful if it is called in accordance with the procedure laid down by the law and the Articles of Association and if at the meeting is represented at least half of the capital of the Company.

(2) Should there be no quorum, the meeting shall be rescheduled for a new date not earlier than 14 days and shall be lawful irrespective of the capital represented. Such date shall be fixed in the notice for the first meeting.

POWERS

Art. 31. *The General meeting shall:*

1. amend and supplements the Articles of Association of the Company;
2. increase and reduce the capital;
3. decide on the transformation and winding-up of the Company;
4. elect and dismiss the members of the Board of Directors and determine the remuneration of the members of the Board of Directors who will not be assigned the management, including their right to receive a portion of the Company's profits and to acquire shares and bonds of the Company;
5. appoint and dismiss the registered auditors;
6. approve the annual financial statements after certification by the appointed registered auditor;
7. decide on the distribution of profits, the replenishment of the Reserve fund and the payment of dividends;
8. appoint the liquidators upon the winding up of the company, except in the event of insolvency;
9. discharge from liability the members of the Board of Directors;
10. decides on the issuance of bonds;
11. decide on other matters within its powers as provided by the law or by these Articles of Association.

RESOLUTIONS AND MAJORITY

Article 32.(1) The resolutions of the *General meeting* shall be adopted by a majority of more than half of the shares represented at the respective meeting, unless a higher majority is provided for by the law or these Articles of Association.

(2) The resolutions for amendment and supplement of the Articles of Association, for increase or reduction of the capital and for transformation and winding up of the company, shall require a majority of 2/3 of the capital represented at the meeting.

(3) *The General Meeting* may not pass resolutions concerning matters which have not been disclosed in accordance with the provisions of article 27 and Article 27a unless all shareholders are present or represented at the meeting and no one objects to the matters raised being discussed.

(4) The resolutions of the *Genera meeting* shall take effect immediately unless postponed.

(5) Decisions on amendments and supplements to the Articles of Association, increase and reduction of the capital, transformation and winding up of the company, election and dismissal of members of the *Board of Directors*, as well as appointment of liquidators shall come into force after their entry in the Trade register.

MINUTES OF MEETING

Article 33.(1) Minutes shall be kept of the proceedings of the *General Meeting* which shall comply with the provisions of article 232 of the Commercial Law.

(2) The minutes of the *General Meeting* and the annexes thereto shall be filed in a minute book and shall be kept for 5 years as from the end of the year in which the *General Meeting* was held. They shall be made available to any shareholder upon request.

CONFLICT OF INTEREST

Article 34. A shareholder or his/her proxy may not participate in voting procedure for:

1. bringing claims against him;
2. taking action to engage his liability vis-à-vis the *Company*.

CHAPTER VIII BOARD OF DIRECTORS MANDATE

Article 35.(1) The members of the *Board of Directors* shall be elected by the *General Meeting* for a term of 5 years.

- (2) The members of the *Board of Directors* may be re-elected without limitation.
- (3) Upon expiration of the term of office, the members of *the Board of Directors* shall continue to perform their functions until the *General Meeting* elects a new Board of Directors.
- (4) The members of *the Board of Directors* may also be removed from office before the expiry of the term for which they were elected.
- (5) In the event of early termination of the term of office of a member of the *Board of Directors*, another person shall be elected in his place for a new 5-year term.
- (6) A member of *the Board of Directors* may request to be deleted from the Trade register by written notice to *the Company*. *The Company* must, within 6 months upon receipt of the notice, file the dismissal of the member in the Trade register. If *the Company* fails to do so, the member of the *Board of Directors* concerned may himself request the filing of this fact, irrespective of whether or not another person has been elected in his place.

COMPOSITION

Article 36.(1) The *Board of Directors* shall consist of *three to five* members.

- (2) A member of the *Board of Directors* may be a natural person with legal capacity.
- (3) No person may be a member of the *Board of Directors* who:
 1. has been a member of the management or supervisory body of a company wound up by reason of insolvency during the two years preceding the date of the decision declaring the insolvency, if not all creditors were satisfied;
 2. does not meet other requirements set out in the Articles of Association.
- (3) The members of the *Board of Directors* shall be entered in the Trade register, where they shall submit a notarized consent and a declaration that the circumstances under paragraph 3 are not present.

POWERS

Article 37.(1) *The Board of Directors shall manage and represent the Company, by taking decisions on all matters affecting the Company within the scope of the Company's business, except for those which fall within the exclusive powers of the General Meeting, in accordance with the law or these Articles of association.*

(2) *The Board of Directors shall:*

1. organize the implementation of the decisions of the *General meeting*;
2. prepare and propose to *the General Meeting* the annual financial statements of *the Company*;
3. determine the structure and the positions in *the Company*;
4. adopt programmes, strategic and operational plans related to *the Company's* business;
5. assigns the management of the company to one or more executive members elected from among its members. The names of the persons authorized to represent *the Company* shall be entered in the Trade register;
6. perform any other functions assigned to it by the *General meeting*;
7. determine the remuneration of the executive members in charge of the management of the company.

(3) *The relationship between the Company and the Executive director shall be governed by a contract to be entered into on behalf of the Company by the Chairperson of the Board of Directors. The relations between the Company and the members of the Board of Directors who are not assigned with the management shall be governed by a contract to be concluded on behalf of the Company by a person authorized by the General Meeting.*

(4) *The Executive director shall:*

1. represent *the Company* before third parties;
2. perform the daily management of *the Company*;
3. ensure the lawful execution of the resolutions of *the General Meeting of Shareholders* and *the Board of directors*;
4. report on its work to *the Board of Directors* at least once per month;
5. may sell or pledge *the Company's* assets, take loans, lease *the Company's* property and assets for a period longer than three years only after a prior decision of *the Board of Directors*.
6. promptly notify the Chairperson of *the Board of Directors* of any circumstances which are material to the Company's business.

(5) *The Chairperson of the Board of Directors shall have the right to require from the Executive director at any time to furnish information or reports on any matter affecting the Company.*

(6) *The instructions of the Chairperson of the Board of Directors shall be binding.*

QUORUM AND MAJORITY

- Article 38. (1)** *The Board of Directors* shall hold regular meetings on a monthly basis
- (2) Regular and extraordinary meetings shall be called by the Chairperson of *the Board of Directors* at his or her discretion or upon request of a member of *the Board*.
- (3) The procedure for calling and holding meetings shall be set out in the Rules of Procedure of *the Board of Directors*.
- (4) Meetings of *the Board of Directors* shall be regular if at least half of its members are present in person or represented by another *Board* member by virtue of an express power of attorney. No present member may represent more than one absent member.
- (5) *The Board of Directors* may also take decisions in absentia if all its members have expressed their agreement in writing to the decisions.
- (6) *The Board of Directors* shall adopt its decision by a simple majority, except in the cases expressly provided for in the Commercial Law and these Articles of Association where a greater majority is required.
- (7) *The Board of Directors* shall take the decisions referred to in article 37, paragraph 2, items 3 and 5 of these Articles of association by unanimity. Other decisions may be taken by unanimity if provided for in the Rules of procedure of *the Board of Directors*.
- (8) In the event that a member of *the Board of Directors* or a person related to him is interested in a matter to be considered, he shall, before the commencement of the meeting at the latest, notify the Chairperson of *the Board of Directors* in writing and shall not participate in the decision-making on the same matter.
- Art.39.(1)** *The Board of Directors* shall elect a Chairperson and a Vice-Chairperson and shall adopt by unanimity its Rules of proceedings.
- (2) Minutes shall be kept of the decisions of *the Board of Directors* that shall be signed by all members present, noting how each member voted on the matters considered.
- (3) The minutes of the meetings of *the Board of Directors* are a trade secret. The facts and circumstances therein may only be published, disclosed or brought to the knowledge of third parties by decision of *the Board of Directors*.

LIABILITY AND DISCHARGE

- Article 40.(1)** The members of the *Board of Directors* shall be required to give a guarantee for their management in an amount to be determined by *the General Meeting of Shareholders*, however not less than three months' gross remuneration thereof.
- (2) The members of *the Board of Directors* shall be jointly and severally liable for the damages they have caused to *the Company* through their fault.
- (3) Any member of *the Board of Directors* may be discharged from liability by resolution of the *General Meeting* if he is not to blame for any damage caused to *the Company*.
- (4) Shareholders holding at least 10 per cent of the *Company's* capital may bring an action to hold the members of the *Board of Directors* liable for damages caused to the *Company*.

CONTRACTS WITH MEMBERS OF THE BOARD OF DIRECTORS AND THEIR RELATED PARTIES

Article 41.(1) The members of *the Board of Directors* shall notify the Board in writing whenever they or persons related to them enter into contracts with *the Company* which go beyond its ordinary business or deviate materially from the arm's length principle.

(2) The contracts referred to in paragraph 1 shall be concluded on the basis of a decision of *the Board of Directors*.

(3) A transaction concluded in violation of paragraph 2 shall be valid and the person who concluded it, knowing or having reason to know that there was no such decision, shall be liable to *the Company* for the damage caused.

CHAPTER IX BRANCH OFFICES

Article 42.(1) *The Company* may establish branch offices in the country, outside the settlement where its registered office is located, as well as abroad. Decisions on the opening and closing of branch offices of the *Company* shall be adopted by *the Board of Directors* by unanimity.

(2) Branch offices and all changes thereof shall be entered in the Trade register in compliance with the provisions of the Commercial Law.

Article 43.(1) The branch office shall be managed by a director appointed by the Executive director of *the Company*.

(2) The director of the branch office shall act on behalf of and for account of *the Company* within the scope of the authority expressly granted to him.

(3) The relations between the branch offices and the Head Office of *the Company* shall be governed by regulations adopted by *the Board of Directors*.

(4) The details of the *Company* referred to in article 2, paragraph 2 must be indicated in the commercial communications of the branch office.

CHAPTER X ANNUAL FINANCIAL CLOSE

DOCUMENTS RELATED TO THE ANNUAL CLOSE

Article 44.(1) By the end of February of each year, *the Board of Directors* shall draw up an annual financial statement and a business report of *the Company* for the preceding calendar year and shall make it available for examination to the registered auditors elected by *the General Meeting*. The business report shall be prepared in accordance with article 247 of the Commercial Law.

(2) Where *the General Meeting* has not elected registered auditors by the end of the calendar year, they shall, at the request of *the Board of Directors* or an individual shareholder, be appointed by the registration officer of the Registry Agency.

VERIFICATION AND ACCEPTANCE OF THE ANNUAL ACCOUNTS

Article 45.(1) The registered auditors shall examine the accounts submitted by *the Board of Directors* and prepare their report on the results of the examination.

(2) The registered auditors shall be responsible for the impartiality and faithfulness of the audit and shall keep confidentiality.

(3) After the examination by the registered auditors and the presentation of their report, *the Board of Directors* shall make a proposal for the distribution of profit and shall take a decision to call an Ordinary Annual *General Meeting*. The registered auditor referred to in paragraph 1 shall attend the meeting of the *Board of Directors*.

(4) The audited and adopted annual financial statements shall be submitted for publication in the Trade register.

VERIFICATION AT THE REQUEST OF SHAREHOLDERS

Article 46.(1) Shareholders holding at least 10 per cent of the company's capital may request the General Meeting to appoint a controller to audit the annual financial statements.

(2) In the event that *the General Meeting* does not decide to appoint a controller, the shareholders referred to in paragraph 1 may request the registration officer of the Registry Agency to appoint a controller.

(3) The appointed controller shall draw up a report of his findings to be presented at the next *General Meeting*. The expenses of the audit shall be borne by *the Company*.

PAYMENT OF DIVIDENDS AND INTEREST

Art. 47.(1) Dividends and interest under article 190, paragraph 2 of the Commercial Law shall be paid only if, according to the financial statements for the year in question, audited and adopted in accordance with Article 45, the net asset value less dividends and interest payable shall not be less than the amount of the company's capital, the Reserve fund and other funds which the company is required to establish by the law or its Articles of Association.

(2) Within the meaning of paragraph 1, the net asset value shall be the difference between the value of the rights and liabilities of the company according to its balance sheet.

(3) The payments referred to in paragraph 1 shall be made to the amount of the profit for the relevant year, the retained earnings from previous years, the part of the Reserve fund and other funds of the company exceeding the minimum determined by the law or the Articles of Association, reduced by the loss carried forward, and the deductions for the Reserve fund and other funds which the company is required to establish by law or its Articles of Association.

(4) If payments have been made in default of the preconditions under paragraphs 1 – 3, the shareholders shall not be bound to repay the amounts received, unless the company proves that they knew or could have known of the absence of the said preconditions.

(5) Payment of the dividends voted by the General Meeting shall be made within three months of the meeting through a bank remittance at the registered office of *the*

Company upon presentation of proof of identity and depository receipt.

(6) Dividends unclaimed within two years from the date of the resolution of the *General Meeting* for the payment thereof shall be credited to the Reserve fund.

RESERVE FUND

(48.(1) *The Company* shall establish a Reserve fund, which shall raise funds from the following sources:

1. not less than 1/10th of the annual profit, credited until the fund reaches 1/10th of the capital;
2. the difference between the issue value and the par value of the newly issued shares;
3. other sources provided for in these Articles of Association or determined by resolution of *the General Meeting of Shareholders*.

(2) The Reserve fund shall be used only to cover the annual loss and the loss carried forward.

(3) When the Reserve fund exceeds 1/10th of the capital, the difference may be used to increase the capital of *the Company*.

(4) *The Company* may establish other funds by resolution of *the General Meeting*.

CHAPTER XII

WINDING UP AND LIQUIDATION OF THE COMPANY

WINDING UP OF THE COMPANY

Art. 49. *The Company* shall be wound up in the following cases:

1. by a resolution of *the General Meeting* adopted by a majority of 2/3 of the capital represented at the meeting;
2. upon its bankruptcy;
3. by a decision of the court, rendered on an action of the public prosecutor, if *the Company* pursues purposes prohibited by the law;
4. when the net value of the *Company's* assets under article 247a, paragraph 2 of the Commercial Law falls below the amount of the registered capital; if the General Meeting does not take a decision to reduce the capital, to reorganize or to wind up the Company within one year, the Company shall be wound up following the procedure set forth in item 3;
5. if the number of members of the *Board of Directors* is less than the statutory minimum for 6 months, *the Company* may be wound up following the procedure set forth in item 3.

LIQUIDATION OF THE COMPANY

Art. 50.(1) After the winding up of the Company, liquidation procedure shall be carried out within a period determined by the General Meeting. Upon passing a resolution to declare the Company in liquidation, the General Meeting shall also elect liquidator(s).

(2) The liquidation procedure shall be carried out pursuant to the provisions of the law.

(3) The court of registration may, for important reasons, appoint or dismiss the liquidator(s) upon application by shareholders holding at least 1/20 of the company's capital.

(4) The liquidation procedure shall be carried out in accordance with Chapter XVII of the Commercial Law, and upon its completion the company shall be deleted from the Trade register at the request of the liquidator(s).

CHAPTER XIII FINAL PROVISIONS

§ 1. Amendments to the Articles of Association shall be made by resolution of *the General Meeting of Shareholders* pursuant to the provisions of the Commercial Law.

§ 2. The provisions of the effective Bulgarian laws shall apply to all unsettled matters herein. In the event of a conflict between the provisions of these Articles of Association and the provisions of the regulations, the provisions of the regulations, including those enacted after the adoption of these Articles of Association, shall apply.

These Articles of Association were adopted at a session of *the General Meeting of Shareholders of the Company* held on 04.06.1999, amended and supplemented by resolutions of *the General Meetings of Shareholders* held on 29.09.2000, on 29.06.2001, on 10.12.2004, on 09.05.2006, on 28.09.2009, on 25.11.2009, on 17.02.2012, on 28.06.2012 and on 27.04.2020.

Ivaylo Borissov Filipov
Executive director of
INFORMATION SERVICES JSC
(signature illegible)