

On the basis of Articles 13 and 18 of the Law on Privatization of State-Owned Capital in Enterprises ("Official Gazette of the Republic of Srpska", Number 51/06, 1/07 and 53/07), Articles 8 and 14 of the Law on Republic of Srpska Investment-Development Bank ("Official Gazette of the Republic of Srpska", Number 56/06) and Article 18 of the Statute of Republic of Srpska Investment-Development Bank, JSC Banja Luka, number 04/1-012-2285/06, dated 26 October 2006, the Supervisory Board of the Investment-Development Bank, JSC Banja Luka, at its session held on 11 February 2008, adopted the following:

RULEBOOK ON DETERMINING THE STRUCTURE AND VALUE OF THE SHARE CAPITAL OF ENTERPRISES

Article 1

The Rulebook on Determining the Structure and Value of the Share Capital (hereinafter: Rulebook) regulates the procedure and manner of determining the structure and value of the capital in enterprises and transfer of the state-owned capital to the Funds with reference to enterprises in which, before the Law on Privatization of the State-Owned Capital in Enterprises came into force, the structure and value of the share capital had not been determined and transfer of the enterprises' state-owned capital to the Funds had not been done.

Article 2

The structure and value of the enterprises' share capital and transfer of the enterprises' state-owned capital to the Funds referred to in Article 1 of this Rulebook shall be determined by the Republic of Srpska Investment-Development Bank, JSC Banja Luka (hereinafter: IRBRS).

Article 3

The structure and value of the enterprises' share capital shall be determined in accordance with provisions of the Law on Opening Balance Sheets („Official Gazette of the Republic of Srpska", Number 24/98) and by-laws which regulate the procedure for determining the structure and value of the enterprises' share capital based on financial reports of enterprises as of 30 June 1998 with possibility of applying the method of capital valuation, provided that such method is considered economically justified.

Article 4

For enterprises which were founded after 30 June 1998, the structure and value of the share capital shall be determined based on the founding decision or the last official financial reports, with possibility of applying the method of capital valuation, provided that such method is considered economically justified.

Article 5

For enterprises where the Government of Republic of Srpska, pursuant to the previously valid Law on Privatization of State-Owned Capital in Enterprises ("Official Gazette of the Republic of Srpska", Number: 24/98, 62/02, 38/03, 65/03 and 109/05) and Law on Enterprises ("Official Gazette of the Republic of Srpska" Number: 24/98, 62/02, 66/02, 38/03, 97/04 and 34/06), performing the function of Shareholders' Assembly, has determined the structure and value of the share capital by decision to change the organizational form, the structure and value of the shared capital from the mentioned decision shall be applicable.

Article 6

For enterprises where the Government of Republic of Srpska has determined the structure and value of the share capital by its decision, the structure and value of the shared capital from the mentioned decision shall be applicable.

Article 7

For enterprises which did not show share capital on their balance sheets as of 30 June 1998 (they have so-called negative capital), the structure and value of the share capital may be determined by valuation of the company's capital, provided that such method is considered economically justified.

Article 8

Decision on application of the capital valuation method referred to in Articles 3, 4 and 7 of this Rulebook as well as deadline, manner and possible terms of valuation shall be issued by the IRBRS Management. Costs of company's capital valuation shall be borne by the company.

Article 9

Decision on the structure and value of the share capital for enterprises referred to in Articles 3, 4 and 6 of this Rulebook shall be issued by the IRBRS Management.

Article 10

For enterprises which have not registered change of their organizational form to a capital company, the IRBRS shall issue certificate on the structure and value of the share capital for registration purposes (hereinafter: certificate).

For enterprises from Articles 3, 4 and 7 of this Rulebook, certificates shall be issued based on the decision of the IRBRS Management and for enterprises from Articles 5 and 6 of the Rulebook based on the decision of the Government of the Republic of Srpska.

Article 11

Decision on transfer of the state-owned capital to the Funds in the sense of Article 13 of the Law on Privatization of State-Owned Capital in Enterprises shall be issued by

the IRBRS Management, about which the IRBRS shall issue announcement of privatization executed in such manner.

Article 12

For enterprises where it is not possible to determine the structure and value of the share capital by applying one of the methods stipulated by this Rulebook, the IRBRS shall submit a proposal for initiating winding-up proceedings over the enterprises, based on the decision of the IRBRS Management.

Article 13

This Rulebook shall come into force on the 8th day from the date of publishing in the "Official Gazette of the Republic of Srpska".

Number: 01-5/08
11 February 2008
Banja Luka

Chairman of the Supervisory Board
Milenko Krajišnik