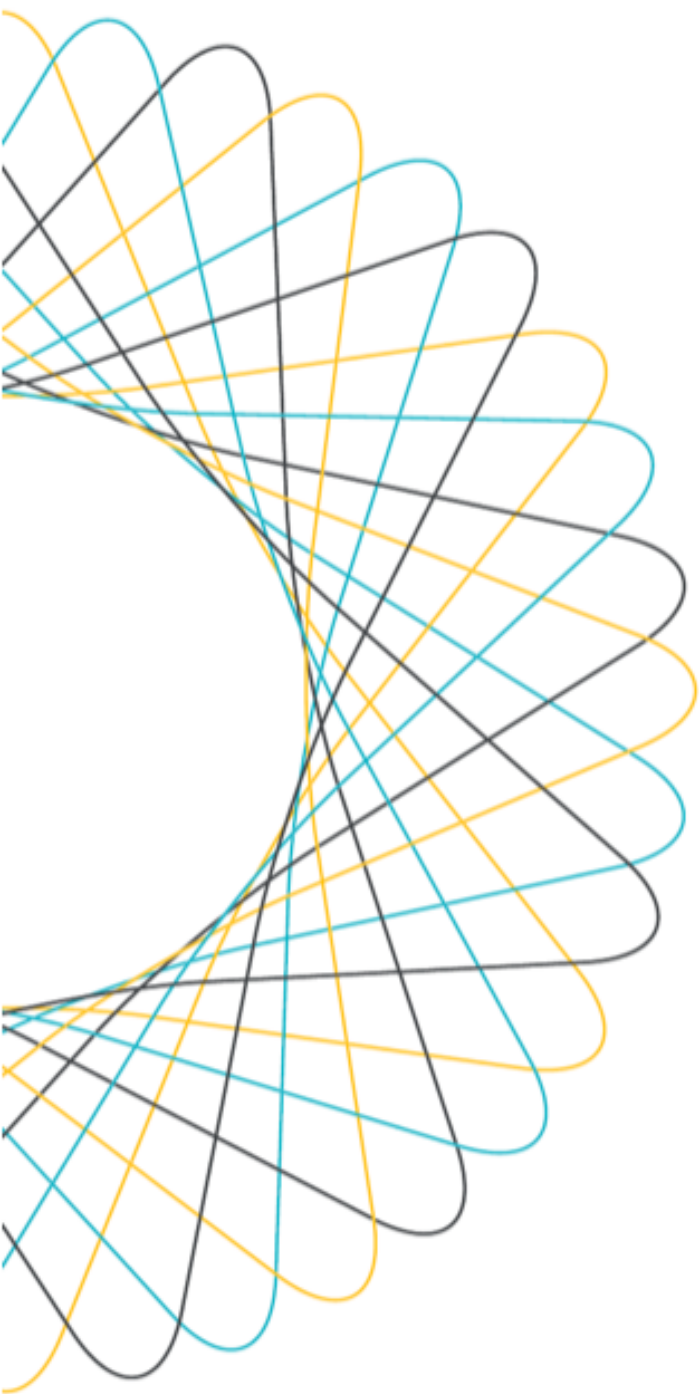




**Payment  
Institution**



## **Articles of association**

**Number of attachments:** 0

**Validation date:** 31.01.2019

**Effective date:** 31.01.2019

**Replaces version dated:** 11.04.2018

**Sensitivity regulation:** Sensitive, Internal, Public

**Autor:** Martin Cigánek

**Guarantor:** Martin Cigánek

**Approved by:** Board of Directors Payment Institution NFD a.s.

# ARTICLES OF ASSOCIATION

Payment Instituion NFD a.s.

registered office: Popradská 17/670, 064 01 Stará Ľubovňa, organization ID no.: 46 847 162, registered in the Commercial Register kept by the Prešov District Court, Section: Sa, entry no.: 10486/P, the license permitting activities of a payment institution registered under decision ODB-10851/2014-7

## Preamble

- (1) Payment Institution NFD, a.s. company, registered office: Popradská 17/670, 064 01 Stará Ľubovňa, organization ID no.:46 847 162, registered in the Commercial Register kept by the Prešov District Court, Section: Sa, entry no.: 10486/P, was established by the Memorandum of Association dated 5 September 2012 where the founder and the sole member was NAŠE FINANČNÉ DRUŽSTVO, registered office: 17. novembra 539/4, Stará Ľubovňa, organization ID no.: 36 477 494 Dr, entry no.: 10103/P (hereinafter referred to as the "Company").
- (2) Based on the Company´s decision dated 2 September 2014, a resolution on the change of the legal form of the NFD s.r.o. company, registered office: 17. novembra 539/4, Stará Ľubovňa, registered in the Commercial Register kept by the Prešov District Court, Section: Sro, entry no.: 26841/P, to a joint-stock company was adopted and thus the Company changed its legal form.

## Article I.

### Business name and Registered Office of the Company

Business name: Payment Institution NFD a.s.

Registered office: Popradská 17/670, 064 01 Stará Ľubovňa.

## Article II.

### Specification of the Company

- (1) The Company is a private joint-stock company.
- (2) The Company is established for an indefinite period of time.

## Article III.

### Lines of Business

The Company´s lines of business include the following activities:

- a) payment services under Sec. 2 (1) of Act No. 492/2009 that regulates payment services and amends and complements some other acts, as amended by subsequent regulations, (hereinafter referred to as the "Act") and this with the following scope: execution of payment transactions including transfer of funds from the payment accounts and to the payment accounts kept by the payment service provider through remittances,
- b) computer services,
- c) services related to computer data processing,
- d) purchase of goods for the purposes of their sale to end consumers /retail/ or to other trade license holders /wholesale/,
- e) lease of movable items,
- f) advertising and promotional activities,
- g) publishing activities,
- h) organizing of cultural and other social events,
- i) performance of extracurricular educational activities,
- j) activities performed by business, organizational and economic consultants,
- k) intermediation activities in the area of commerce,
- l) intermediation activities in the area of services.

#### **Article IV.**

##### **Registered Capital of the Company**

- (1) The Company's registered capital amounts to EUR 125 000 (in words: one hundred and twenty five thousand euros).
- (2) The Company's registered capital was created through a contribution provided by sole shareholder NAŠE FINANČNÉ DRUŽSTVO, registered office: 17. novembra 539/4, 064 01 Stará Ľubovňa, organization ID no.: 36 477 494; the contribution amounted to EUR 125 000 (in words: one hundred and twenty five thousand euros).
- (3) The Company's registered capital has been paid up in full.

#### **Article V.**

##### **Shares**

- (1) The registered capital has been divided into shares in the Company. The shares have been issued as:
  - kind: ordinary
  - type bearer
  - form: paper
- (2) The number and nominal value of the Company's shares:
  - 25 (in words: twenty and five) shares with the nominal value amounting to EUR 5 000 each ( in words: five thousand euros).
- (3) The share issue price equals to the share nominal value.
- (4) The change of the Company's legal form to a joint-stock company was executed without the call for subscription of shares. Sole shareholder NAŠE FINANČNÉ DRUŽSTVO, registered office: 17. novembra 539/4, Stará Ľubovňa, organization ID no.: 36 477 494, subscribed all the Company's shares that represent 100 % of the Company's registered capital.
- (5) The issue price for the Company's shares was paid in full before filing the request for registration in the Commercial register of the change of the Company's legal form to a joint-stock company.
- (6) The Company's shares are not publicly tradeable.
- (7) The shares are associated with the rights and obligations: to participate in the management of the Company, in its profit and liquidation balance, and voting rights. The shareholder's number of votes is determined based on the ratio between the nominal value of their shares and the registered capital amount. One share in the Company is associated with one vote..

#### **Article VI.**

##### **Fundamental Rights and Obligations of Shareholders**

- (1) A shareholder shall pay the issue price for the subscribed shares in compliance with the provisions of these Articles and the Commercial Code.
- (2) Upon violation of the obligation to pay the issue price for shares, a shareholder shall pay the Company the interest on overdue payment amounting to 20% p.a. of the outstanding amount.
- (3) Where a shareholder is in default as to the settlement of the issue price for shares, the Board of Directors shall call upon them in writing and request that they comply with their obligation within 60 days from the delivery of the notice sent by the Board of Directors. The notice shall contain also the warning drawing attention to the possibility of exclusion from the Company. After a lapse of that period, the Company shall exclude the shareholder from the Company. The Board of Directors shall decide on exclusion of a shareholder from the Company. The Board of Directors shall serve the decision on the shareholder and enter it into the Collection of Documents. Upon serving the decision on the excluded shareholder, their share shall be transferred to the Company.
- (4) The fundamental rights belonging to shareholders under these Articles and generally binding legal regulations shall be exercised by shareholders primarily at the general meeting. Shareholders shall be entitled to attend the general meeting, submit motions, vote on motions, request information and explanations, and submit comments.

- (5) Shareholders shall be entitled, proportionally to the number of shares they hold, to proportional shares in the Company's profit (dividend) determined by the general meeting for distribution based on achieved economic results.

**Article VII.  
Bodies of the Company**

The Company's bodies are:

- a) General Meeting
- b) Board of Directors
- c) Supervisory Board

**Article VIII.  
General Meeting**

1. The general meeting is the supreme body of the Company and all shareholders have the right to attend it.
2. The general meeting decides on:
  - a) a business activity concept and its modifications,
  - b) fundamental issues of the investment and business policy of the Company,
  - c) approval of regular and extraordinary financial statements, distribution of profit or settlement of loss and determination of bonuses,
  - d) the manner in which the Company's loss is to be covered,
  - e) approval of the capital related instructions that are to be approved by the general meeting,
  - f) an increase or decrease in the registered capital and issue of bonds and exchangeable bonds,
  - g) transformation of the shares issued as paper securities to registered securities and vice versa,
  - h) approval of the Articles of Association and amendments to them,
  - i) removal from office and election of members of the Board of Directors and Supervisory Board and/or other bodies of the Company,
  - j) remuneration for members of the Board of Directors and Supervisory Board and/or other bodies of the Company,
  - k) dissolution of the Company or change of the legal form of the Company,
  - l) other issues falling under the competence of the general meeting by virtue of law or Articles of Association,
  - m) decision-making as to the approval of an agreement for transfer of an enterprise or a part of an enterprise.
3. If the Company has only one shareholder, the shareholder exercises the competencies of the general meeting. The sole shareholder may summon the general meeting the competencies of which the sole shareholder exercises and this at any time while the Sec. 184 (3) of Act no. 513/1991 of the Commercial Code shall not apply (hereinafter referred to as "CC"). The sole shareholder's decision made within the exercise of the competencies of the general meeting shall be executed in writing and signed. The sole shareholder shall be entitled to request that the Board of Directors and the Supervisory Board participate in the decision-making. A written decision of the sole shareholder shall be delivered to the Board of Directors and the Supervisory Board.

**Article IX.  
Summoning of the General Meeting**

1. The general meeting shall be summoned by the Board of Directors at least once a year. The date and agenda of the general meeting shall be notified to shareholders no later than 30 days before its date.
2. Where the Company's interests necessitate it and in the cases set out by legal regulations, the Board of Directors shall summon an extraordinary general meeting and this especially in the following cases:
  - a) the preceding general meeting adopts a resolution to that effect,
  - b) the Supervisory Board requests it,
  - c) the Company's loss exceeds 1/3 of the registered capital or such a situation may be assumed.

3. Where the extraordinary general meeting is to be summoned, the Board of Directors shall summon it so that it is held within 40 days from the delivery of the request for general meeting summoning. The Board of Directors shall not be entitled to modify the proposed agenda of the general meeting.
4. The Board of Directors shall summon the general meeting through an invitation sent to all shareholders to their registered office addresses or residence addresses no later than 30 days before the date of the general meeting. The invitation to the general meeting shall contain all the particulars determined by legal regulations and especially:
  - a) the business name and registered office of the Company,
  - b) the venue, date, and hour of the general meeting,
  - c) the specification of whether the regular or extraordinary general meeting is summoned,
  - d) the agenda of the general meeting.
5. If the agenda of the general meeting includes an amendment to the Company's Articles of Association, the invitation to the general meeting shall contain at least the fundamental draft amendments to the Articles of Association and where the agenda includes election of new members to the Board of Directors, Supervisory Board or other bodies of the Companies, the names of proposed candidates, who are to be elected as members of the Board of Directors, Supervisory Board or other bodies of the Company, are to be available to the shareholders for inspection at the Company's registered office no later than 30 days before the date of the general meeting. Shareholders shall be entitled to request, at their own expense, copies of draft Articles of Associations and the list of the candidates subject to election to the Board of Directors, Supervisory Board or other bodies of the Company.

#### **Article X.**

##### **Organizational Measures for the General Meeting**

- (1) The general meeting usually takes place at the Company's registered office.
- (2) The course of the general meeting is safeguarded by the Board of Directors as concerns its organization. Discussions held during the general meeting are non-public.
- (3) A shareholder shall be entitled to attend the general meeting either personally or through their proxy based on a written power of attorney issued and signed no sooner than 15 days before the date of the general meeting at which the proxy is to represent the shareholder; the shareholder's signature attached to the power of attorney shall be officially authenticated. If the shareholder grants the power of attorney to exercise voting rights at one general meeting to several proxies, the Company shall allow to vote only the proxy who registers in the attendance list as the first. Neither a member of the Board of Directors nor a member of the Supervisory Board may act as a proxy for a shareholder.
- (4) Registration of the shareholders attending the general meeting shall commence no later than 15 minutes before the hour stated in the invitation to the general meeting as the hour of commencement of the general meeting. The identification and registration of shareholders in the list of attending shareholders shall be organizationally secured by the Board of Directors. The list of attending shareholders shall contain especially the following data:
  - a) where a shareholder is a legal entity: its business name or name and registered office;
  - b) where a shareholder is a natural person: his/her name, surname, date of birth, and permanent residence address,
  - c) the data concerning a shareholder's proxy – where a natural person acts as the proxy: his/her name, surname, and permanent residence address; where a legal entity acts as the proxy – its business name, registered office address, and names, surnames and permanent residence addresses of the persons authorized to act on behalf of the proxy.
- (5) After opening the general meeting, the attending shareholders shall elect the chairman of the general meeting, minutes clerk, and the person verifying the minutes (bodies of the general meeting). The chairman of the general meeting is authorized to scrutinize votes.
- (6) The minutes of the general meeting shall contain the following:
  - a) the business name and registered office of the Company,
  - b) the venue, date, and hour of the general meeting,
  - c) the names of the chairman of the general meeting, minutes clerk and the person verifying the minutes,
  - d) a brief description of individual agenda items discussed at the general meeting,

- e) a resolution of the general meeting with the results of voting,
  - f) the contents of any possible objection raised by a shareholder, member of the Board of Directors or a member of the Supervisory Board against the general meeting's resolution where the objecting party requests it.
- (7) The minutes shall be accompanied by all motions, declarations, and materials submitted to the general meeting for discussion.
  - (8) The Board of Directors shall ensure preparation of the minutes of the general meeting within 30 days from its end. The minutes shall be signed by the minutes clerk, chairman of the general meeting and the person verifying the minutes. Minutes of all general meetings along with general meeting invitations and lists of attending shareholders shall be kept by the Company throughout its entire term.
  - (9) The Company may issue an internal document concerning organization of general meetings and course of individual general meetings (hereinafter referred to as the "Rules of Procedure"). The Rules of Procedure shall be approved by the general meeting.

## **Article XI.**

### **Decision-Making of the General Meeting**

- (1) The general meeting shall form a quorum when shareholders holding at least one half of voting rights in the Company are present unless the Commercial Code stipulates otherwise.
- (2) The number of votes of each shareholder at the general meeting shall be determined as the ratio between the nominal value of their shares and the amount of the Company's registered capital as set out in Article V paragraph (7) hereof.
- (3) The general meeting decides through voting upon the call of the chairman of the general meeting. Voting on resolutions in respect of individual agenda items is usually executed by the raise of hands, through ballot papers that the partners receive upon registration, or in another manner provided that it is unequivocally approved in advance unless the Rules of Procedure, as amended by the Commercial Code, determine a different manner of voting.
- (4) The chairman of the general meeting shall be entitled to suspend the general meeting for a period necessary to process the results of voting. The chairman of the general meeting shall announce the results of voting after the break.
- (5) The general meeting's decisions shall be adopted through resolutions the full wordings of which shall be stated in the minutes of the general meeting.
- (6) The general meeting decides based on a simple majority of votes of the attending shareholders unless the law or Articles require a higher number of votes.
- (7) The general meeting decides based on the two-third majority of all votes of shareholders about the following:
  - a) an amendment to the Articles,
  - b) an increase or decrease in the registered capital,
  - c) dissolution of the Company or change of the legal form,
  - d) other issues in respect of which it is determined by the Articles or law.
- (8) The shareholder who does not agree to an adopted resolution of the general meeting due to its contradiction with the law or the Articles of the Company may raise an objection recorded in the minutes of the general meeting.

## **Article XII.**

### **Board of Directors**

- (1) The Board of Directors is the statutory body of the Company and it manages its activities and acts on its behalf.
- (2) Especially the following falls under the competence of the Board of Directors:
  - a) to execute resolutions of the general meeting,
  - b) to prepare and submit to the general meeting of proposals and basic documents necessary for general meeting's discussions,
  - c) to determine the manners and means necessary for functioning of the Company,

- d) to ensure the business management of the Company and all its operating and organizational issues, creation, execution, monitoring and checking of business intentions of the payment institution,
  - e) to ensure due keeping of prescribed accounting records and other records, books and other documents of the Company,
  - f) to prepare regular, extraordinary and consolidated financial statements and proposals for distribution of profit or settlement of loss,
  - g) to draw up reports on business activities and capital and business policy of the Company for the general meeting,
  - h) to exercise the employer's rights,
  - i) to summon regular and extraordinary general meetings in compliance with the terms and conditions determined herein and by the Commercial Code,
  - j) to ensure preparation of the minutes of the general meeting,
  - k) to execute resolutions of the general meeting,
  - l) to ensure execution of resolutions of the Supervisory Board,
  - m) to elect and dismiss an internal control officer,
  - n) to decide on use of the reserve fund,
  - o) to submit for approval to the general meeting especially:
    - draft amendments to the Articles,
    - proposals concerning an increase or decrease in the registered capital,
    - regular individual financial statements or extraordinary individual financial statements, proposals for distribution of profit or settlement of loss,
    - proposal for dissolution of the Company,
    - a report on the Company's business activities and its capital is to be submitted 1x per year at the regular general meeting,
  - p) to submit to the Supervisory Board for a review:
    - proposal for dissolution of the Company,
    - draft amendments to the Articles,
    - proposals concerning an increase or decrease in the registered capital,
  - q) to submit to the Supervisory Board, at least 1 x per year, written information about the plans for business management of the Company for the next periods and assumed developments as to the capital, finance, and income of the Company,
  - r) upon the request of the Supervisory Board, to submit to the Supervisory Board reports on business activities and assets of the Company in comparison with the assumed development,
  - s) to inform the Supervisory Board without undue delay about all the facts that may substantially affect the development of business activities and assets of the Company and especially its liquidity,
  - t) to exercise managing and organizational powers within creation, execution and monitoring of business plans of the Company; the Board of Directors shall be liable for execution of the business plans towards the Supervisory Board of the Company,
  - u) to evaluate and assess the risk, to take risk mitigation measures, to accept residual risk, ensure the risk management process, to monitor its effectiveness and functionality, to decide on how to supervise the risk of failure of the financial system
  - v) to responsible for the company's liquidity – own and client
  - w) indirect control of the activity of the head of the internal control
- (3) The Board of Directors shall have three members a minimum. The term of office of the Board of Directors is three years. Its members may be re-elected.
- (4) The office of the member of the Board of Directors cannot be combined with the office of the member of the Supervisory Board.
- (5) Members of the Board of Directors are elected and dismissed by the general meeting that elects the chairman and vice-chairman of the Board of Directors too. A person may be elected as a member of the Board of Directors based on the prior consent granted by the National Bank of Slovakia in compliance with the provisions of the Act on Payment Services.

- (6) A member of the Board of Directors may resign from office based on a written statement delivered to the registered office of the Company or personally at the general meeting or to the Supervisory Board. Resignation from the office shall be effective from the day of the first general meeting following the delivery of the resignation letter to the registered office of the Company; where a member of the Board of Directors resigns at the general meeting, the resignation shall take effect immediately. If the general meeting is not held within three months from the delivery of the written resignation letter, the resignation shall take effect on the first day after the expiry of that period of time.
- (7) If there is a threat of damage to the Company, the member of the Board of Directors who has been dismissed or has resigned shall inform the Company about the measures that are to be taken to prevent it.
- (8) Each member of the Board of Directors shall, throughout the entire term of office, comply with the ban on competition, which means:
  - a) entering into business deals relating to the business activities of the Company on the member's behalf or at their own account,
  - b) intermediation of the Company's business deals to third parties,
  - c) execution of activities of the statutory body or a member of the statutory or other body of another legal entity with similar lines of business unless it is a company associated with the Company through assets or persons.

If a member of the Board of Directors violates the ban on competition specified in sub-clauses (a) through (c) of this clause, he/she shall provide the benefit obtained through the business deal representing the violation of the ban on competition or shall transfer corresponding rights to the Company. This shall be without prejudice to the Company's entitlement to compensation for damage.

- (9) The first Board of Directors of the Company after the change of the legal form to a joint-stock company shall be appointed based on a decision of the sole shareholder.
- (10) Meetings of the Board of Directors shall be held as necessary and at least 4 times per year. They shall be chaired by the chairman of the Board of Directors. In the absence of the chairman of the Board of Directors, the general meeting shall be chaired by the vice-chairman of the Board of Directors or the member of the Board of Directors authorized by the chairman.
- (11) The Board of Directors forms a quorum when a simple majority of its members are present. A majority of attending members is necessary for a valid resolution. In case of equality of votes, the vote of the chairman shall decide and when the chairman is absent, the vote of the person chairing the meeting shall decide.
- (12) Minutes shall be drawn up about the meeting of the Board of Directors and its correctness shall be confirmed by signatures of at least two members of the Board of Directors present at the meeting.
- (13) The Board of Directors shall summon an extraordinary general meeting if they establish that the Company has lost one third of its registered capital or that it has been insolvent for a period of time exceeding three months. They shall inform the Supervisory Board about the fact without undue delay.
- (14) Members of the Board of Directors shall exercise their competencies with due diligence that includes the obligation to exercise them while applying due care and in compliance with the interests of the Company; especially, they shall acquire and factor in within their decision-making all the available information concerning the subject-matter of the decision-making, maintain confidentiality in respect of confidential information and the facts the disclosure of which to third parties may cause damage to the Company or pose a threat to the interests of its shareholders and when performing their duties, they must not prefer their own interests, interests of only some shareholders or third party interests to the interests of the Company.
- (15) Members of the Board of Director who violate their obligations within exercise of their competencies shall be jointly and severally liable to provide compensation for the damage caused by them to the Company. Members of the Board of Directors shall provide such compensation especially as concerns the damage incurred by the Company when:
  - a) it provides payments to shareholders in contradiction with provisions of these Articles and Commercial Code,
  - b) it acquires assets in contradiction with the provision of Sec. 59a of the Commercial Code.

**Article XIII.  
Acting and Signing on behalf of the Company**

Always at least two members of the Board of Directors shall act and sign on behalf of the Company.



**Article XIV.  
Supervisory Board**

- (1) The Supervisory Board is the supreme control body of the Company. Especially the following falls under the competencies of the Supervisory Board:
  - a) to examine regular individual financial statements or extraordinary individual financial statements and proposals for distribution of profit or settlement of loss and submit opinions to the general meeting,
  - b) to summon the general meeting where the Company's interests necessitate it and propose at the general meeting the necessary measures (the provisions of these Articles shall reasonably apply to the manner in which the general meeting is to be summoned),
  - c) to appoint an auditor for a review of regular and extraordinary individual financial statements,
  - d) to monitor and control the Company's business plans,
  - e) to carry out general control of the procedures within the Company including consultations and coordination of the joint steps in respect of other bodies of the Company,
  - f) to request that the internal control officer execute a control of the Company to the extent determined by the Supervisory Board,
  - g) to represent the Company within proceedings before courts and other authorities against the Board of Directors or a member of the Board of Directors,
  - h) to establish and terminate consultative committees and to approve their by-laws.
- (2) The Supervisory Board shall have three members a minimum. The term of office of the Supervisory Board is three years. Its members may be re-elected.
- (3) The office of the member of the Supervisory Board cannot be combined with the office of a member of the Board of Directors or the office of the chief clerk of the Company. The performance of the office of a member of the Supervisory Board cannot be substituted.
- (4) Members of the Supervisory Board shall be elected and dismissed by the general meeting of the Company upon a proposal made by shareholders or members of the Board of Directors. Furthermore, the general meeting elects the chairman and the vice-chairman of the Supervisory Board from the members of the Supervisory Board.
- (5) The first Supervisory Board of the Company after the change of the legal form to a joint-stock company shall be appointed based on the decision made by the sole shareholder in the Company.
- (6) To elect a person as a member of the Supervisory Board at the general meeting, the consent of a majority of votes of the attending shareholders is required. If the required number of members of the Supervisory Board is not elected, the Board of Directors shall summon the general meeting so that it takes place within 30 days from the general meeting at which the required number of members of the Supervisory Board were not elected. Election of a person as a member of the Supervisory Board is conditioned by the prior consent granted by the National Bank of Slovakia in compliance with the provisions of the Act on Payment Services.
- (7) The general meeting decides on dismissal of a member of the Supervisory Board based on a majority of votes of the attending shareholders. The dismissal of a member of the Supervisory Board shall take effect at the moment of adoption of the dismissal decision by the general meeting. If the member of the Supervisory Board who is to be dismissed is not present at the general meeting that approves his/her dismissal, the chairman, or the vice-chairman in absence of the chairman, of the Supervisory Board shall ensure delivery of a written copy of the dismissal decision to the dismissed member of the Supervisory Board. Where the chairman of the Supervisory Board is the dismissed member, the vice-chairman or a member of the Supervisory Board shall ensure the delivery of the decision to the dismissed chairman of the Supervisory Board.
- (8) A member of the Supervisory Board may resign from office based on a written statement delivered to the Company or personally at the general meeting. Resignation from the office shall be effective from the day of the first general meeting following the delivery of the resignation letter; where a member of the Supervisory Board resigns at the general meeting, the resignation shall take effect immediately. If the general meeting is not held within three months from the delivery of the written resignation letter, the resignation shall take effect on the first day after the expiry of that period of time.
- (9) Members of the Supervisory Board shall exercise their competencies with due diligence that includes the obligation to exercise them while applying due care and in compliance with the interests of the Company, employees, and all its shareholders; especially, they shall acquire and factor in within their decision-making all the available information concerning the subject-matter of the decision-making, maintain confidentiality in respect of confidential information and the facts the disclosure of which to third parties may cause damage to the Company or pose a threat to Company or the interests of its shareholders and when performing their duties,

they must not prefer their own interests, interests of only some shareholders or third party interests to the interests of the Company.

- (10) The Supervisory Board shall be summoned by its chairman or the vice-chairman in absence of the chairman and this at least three times per year. A meeting of the Supervisory Board shall be summoned by its chairman or the vice-chairman in absence of the chairman via a written invitation sent either as a letter or via electronic mail in which they shall state the venue, date, and hour of the meeting and its agenda. The invitation shall be served on the members of the Supervisory Board along with the documents relevant for the meeting no later than 3 days before the suggested date of the meeting. Where a meeting of the members of the Supervisory Board is summoned via fax or electronic mail, the members of the Supervisory Board shall confirm the receipt of the invitation. Meetings of the Supervisory Board shall be held at the Company's registered office unless the Supervisory Board decides otherwise.
- (11) The chairman, or the vice-chairman in absence of the chairman, of the Supervisory Board shall summon a meeting of the Supervisory Board upon a written request of any member of the Supervisory Board, Board of Directors or shareholders the contributions of whom represent at least 10 % in the registered capital of the Company. The written request for summoning of a meeting of the Supervisory Board shall contain the agenda that is to be discussed by the Supervisory Board.
- (12) The Supervisory Board may invite to its meeting also members of the Board of Directors and/or shareholders. Each member of the Supervisory Board shall be entitled to attend the general meeting.
- (13) In urgent cases, the chairman, or the vice- chairman in absence of the chairman, of the Supervisory Board shall be entitled to reach a decision on a certain issue through a written request addressed to all members of the Supervisory Board (hereinafter referred to as "per rollam"). Such a decision shall be valid only where the written request is delivered to all members of the Supervisory Board, none of the members of the Supervisory Board has expressed their disagreement as to this manner of voting, and the resolution is approved by at least two thirds of all members of the Supervisory Board. Any resolution adopted per rollam shall be entered into the minutes at the next meeting of the Supervisory Board.
- (2) The Supervisory Boards shall assess especially:
  - a) proposal made by the Board of Directors for dissolution of the Company,,
  - b) proposals of the Board of Directors concerning amendments to the Articles,
  - c) proposals of the Board of Directors concerning an increase or decrease in the registered capital.
- (15) The Supervisory Board approves:
  - a) ownership interest of the Company, including contribution in the form of assets, in other companies and cooperatives, or other entities (e.g. associations),
  - b) the business plan and financial budget for the current year,
- (16) Furthermore, the Supervisory Board approves contracts with members of the Board of Directors and the procedures for provision of benefits to the members of the Board of Directors and their family members or the persons with whom they have business contracts registered by the Company.
- (17) In compliance with the Articles, the Supervisory Board exercises control powers in respect of the activities performed by members of the Board of Directors within creation, implementation, and monitoring of business plans of the Company.
- (18) The Supervisory Board exercises the power to control in respect of the management and functioning of the information system.
- (19) The Supervisory Board shall appoint one of its members to represent the Company within any proceedings before the court or other authorities against the Board of Directors or a member of the Board of Directors
- (20) Each member of the Supervisory Board shall, throughout the entire term of office, comply with the ban on competition, which means:
  - a) entering into business deals relating to the business activities of the Company on the member's behalf or at their own account,
  - b) intermediation of the Company's business deals to third parties,
  - c) execution of activities of the statutory body or a member of the statutory or other body of another legal entity with similar lines of business unless it is a company associated with the Company through assets or persons,

If a member of the Supervisory Board violates the ban on competition specified in sub-clauses (a) through (c) of this clause, he/she shall provide the benefit obtained through the business deal representing the violation of the

ban on competition or shall transfer corresponding rights to the Company. This shall be without prejudice to the Company's entitlement to compensation for damage..

- (21) The Supervisory Board shall form a quorum when a majority of its members is present..
- (22) The Supervisory Board decides based on the consent of a majority of attending members unless the Commercial Code stipulates otherwise.
- (23) Minutes shall be drawn up about the course of the meeting and decision of the Supervisory Board; the minutes shall be signed by the minutes clerk and the chairman or, in the absence of the chairman, by the vice-chairman of the Supervisory Board who chairs the meeting. The minutes shall contain opinions of the minority of members provided that they request it and different opinions of the members shall be stated too. The shareholder shall be entitled to inspect the minutes of meetings of the Supervisory Board; the shareholder shall maintain confidentiality in respect of the information acquired in this manner.
- (24) Within its competencies, the Supervisory Board may establish committees as its consultative and initiating bodies. The roles of such consultative committees is to prepare opinions and recommendations for the Supervisory Board in the area for which they have been established, e.g. economic issues, staff issues, etc..
- (25) Each established consultative committee shall elect its chairman who will control and coordinate the committee's activities. Detailed rules for the activities of the organization of the relevant committee are contained in the by-laws of the committee approved by the Supervisory Board.

#### **Article XV.**

##### **Determination of Mutual Relationships within the Company's Organizational Structure among the Statutory Body, Supervisory Board, Chief Clerk, Officers, and the Internal Control Officer**

- (1) These Articles define the relationships and cooperation among the statutory body, the Supervisory Board, chief clerk, officers, and the internal control officer in respect of:
  - a) creation, implementation, monitoring and inspection of business plans of the payment institution,
  - b) an internal control system including an independent and separate internal control department,
  - c) an information system,
  - d) protection against legalization of proceeds from criminal activities and terrorist financing.

#### **Article XVI.**

##### **Internal Control System of the Company**

- (1) The internal control system of the Company comprises the internal control officer.
- (2) The internal control officer is a special independent internal control body established by the Board of Directors of the Company. The Company's Board of Directors elects and dismisses the internal control officer from among the employees of the Company. Election of a person as the internal control officer is conditioned by the prior consent granted by the National Bank of Slovakia in compliance with the Act on Payment Services.
- (3) A person may be elected as the internal control officer based on a majority of votes of members of the Board of Directors.
- (4) The office of the internal control officer cannot be combined with the office of the member of the Board of Directors or the office of the chief clerk of the Company.
- (5) In special cases, especially where the internal control officer violates the provisions of valid legal regulations or these Articles or internal regulations of the Company or commits other acts against the Company, the Board of Directors may dismiss the internal control officer. Upon a motion of the general meeting or the Supervisory Board, the internal control officer may be dismissed under any circumstances. The Board of Directors decides on dismissal of the internal control officer by a majority of votes of its members. Dismissal of the internal control officer shall take effect upon adoption of the decision of his/her dismissal by the Board of Directors. The Board of Directors shall ensure delivery of the written decision on dismissal from the office to the dismissed internal control officer.
- (6) The internal control officer may resign from his/her office based on a written declaration delivered to the Company. Resignation from the office shall take effect on the day of delivery of the written letter of resignation to the Company.

- (7) The internal control officer acts as an independent internal control body and shall be entitled to have access to all the information and documents of the Company necessary and required for due performance of his/her activities; when carrying out the internal control, he/she is not bound by decisions of the Company's bodies.
- (8) The internal control officer shall be entitled to propose to the bodies in respect of which he/she establishes violation of legal or internal regulations adoption of reasonable measures to remedy the situation.
- (9) In addition to that, the internal control officer shall inform in writing, without undue delay, the Supervisory Board and the National Bank of Slovakia about any fact evidencing the violation of the Company's obligation set out by laws, the Articles, and rules of prudent business which may affect the due performance of the Company's activities and which he/she has established within his/her activities.
- (10) The internal control officer shall submit, no later than on 31 December of the relevant year, a plan for control activities for the next year to the National Bank of Slovakia.
- (11) The Board of Directors shall be responsible for due performance of activities by the internal control officer.
- (12) The internal control officer shall be entitled to attend general meetings of the Company and present results of his/her activities directly at general meetings and meetings of the Supervisory Board.
- (13) The internal control officer shall submit to the statutory body and the Supervisory Board, at least once a year, a report on fulfilment of the control activities plan.

#### **Article XVII.**

##### **Increase and Decrease in the Registered Capital a**

- (1) The general meeting decides on an increase in the registered capital upon a motion presented by the Board of Directors, and this based on the two third majority of attending shareholders. Where several types of shares have been issued, this majority of votes of attending shareholders is required in respect of each type of share.
- (2) The general meeting decides on reduction in the registered capital upon a motion presented by the Board of Directors, and this based on the two third majority of attending shareholders. Where several types of shares have been issued, this majority of votes of attending shareholders is required in respect of each type of share. The decision of the general meeting shall contain the reason for the reduction in the registered capital, the reduction amount, the manner in which it shall be executed, and the period of time for submission of the shares in the Company.

#### **Article XVIII.**

##### **Amendments to the Articles**

- (1) The general meeting shall decide on an amendment to the Articles based on the two-third majority of votes of all the shareholders.
- (2) The prior consent of the National Bank of Slovakia conditions any amendment to these Articles except for the amendments concerning activities under Sec 77 (1) (a) and (c) of the Act on Payment Services.
- (3) If the general meeting adopts a decision resulting in modification of the contents of the Articles, the decision shall be deemed to be a decision on an amendment to the Articles provided that it has been adopted in a manner required by the law and the Articles to adopt a decision on an amendment to the Articles.
- (4) If any complementation of an amendment to the Articles results in a change in the facts registered in the Commercial Register, the Board of Directors shall file, within 30 days from the end of the general meeting, a request for registration of the changes into the Commercial Register.
- (5) Upon any amendment to the Articles, the Board of Directors shall prepare, without undue delay, the full wording of the Articles and shall be liable for the completeness and correctness of the wording. Within 30 days from the date of an amendment to the Articles, the Board of Directors shall submit the full wording of the Articles to the Collection of Documents

#### **Article XIX.**

##### **Information System, Protection against Legalization of Proceeds from Criminal Activities and Terrorist Financing**

- (1) The Company shall develop its own information systems as a security project that shall precisely define the scope and manner of technical, organizational and personnel related measures necessary to eliminate and minimize the threats and risks affecting the information system as to any impairment of its security, reliability,

and functioning and this in compliance with the safety standards, legal regulations, and international agreements binding upon the Slovak Republic.

- (2) The Company shall appoint one of members of the Board of Directors, who will exercise the managing and organizational powers in respect of the information system and this designated member of the Board of Directors shall be liable also for the functioning of the information system. The Supervisory Board of the Company shall exercise the power of control in respect of the information system.
- (3) Furthermore, the Company shall prepare a program of its own activities aimed against legalization of proceeds from criminal activities, the task of which is to primarily determine the steps taken by the Company upon any handling of funds where there is any suspicion as to legalization of proceeds from criminal activities, violation of the legal regulations concerning the financial market or a crime and shall determine the procedures to safeguard the fulfilment of the obligations resulting from Act no. 297/2008 that regulates protection against legalization of proceeds from criminal activities and terrorist financing and amends and complements some other acts, as amended by subsequent regulation, on the part of members of the bodies, employees and co-workers of the Company.
- (4) The Company's Board of Directors shall be liable for the overall protection of the Company against legalization of proceeds from criminal activities and terrorist financing.
- (5) The Company's Board of Directors shall approve the program of own activities of the Company aimed at protection of the Company against legalization of proceeds from criminal activities and terrorist financing.
- (6) The Company shall appoint one of the members of the Board of Directors as the person ensuring protection of the Company against legalization of proceeds from criminal activities and terrorist financing.
- (7) A person in charge of compliance with and continuing updates of the Company's procedures in the area of protection against proceeds from criminal activities and terrorist financing shall be appointed (hereinafter referred to as the "Compliance Officer").
- (8) The Company shall define the position of the Compliance Officer so that he/she reports directly to the Board of Directors.
- (9) The Company shall secure the substitutability of the Compliance Officer through a deputy for the Compliance Officer (hereinafter referred to as the "Deputy Compliance Officer").
- (10) The Company's Board of Directors appoints and dismisses both the Compliance Officer and the Deputy Compliance Officer.

#### **Article XX. Accounting Period**

- (1) The Company's accounting period is one calendar year starting on 1 January and ending on 31 December.
- (2) The Board of Directors shall be liable for due bookkeeping. The Company's financial statements shall be verified by an auditor appointed by the Board of Directors.
- (3) The Board of Directors shall ensure entering of the regular individual financial statements and extraordinary individual financial statements into the Collection of Documents within 30 days after their approval by the general meeting. The Board of Directors shall submit regular and extraordinary individual financial statements for approval to the general meeting within six months from the end of the accounting period. An auditor's report along with the name and address of the natural person or the business name, registered office address, the identification number of the legal entity and the registration number of the verifying auditor registered in the list of auditors. If a legal person is the auditor, the names and addresses of the natural persons who executed the audit on behalf of the auditor shall be stated. The financial statement may be entered into the Collection of Documents as a part of the annual report.
- (4) The report on an audit of the regular individual financial statement under a special regulation shall be submitted by the Company to the National Bank of Slovakia no later than by the 30 of June of the year following the calendar year subject to the audit.

#### **Article XXI. Creation and Use of the Reserve Fund and Creation of other Funds**

- (1) Upon its establishment, the Company creates a reserve fund amounting to 10% of the registered capital a minimum. The Company shall replenish the fund with the amount determined in the Articles or 10% of the net profit shown in the regular individual financial statement a minimum until the reserve fund reaches the amount determined in the Articles or 20% of the registered capital a minimum.

- (2) The Company's reserve fund serves to cover loss or measures that are to be implemented to overcome unfavourable course of economic activities of the Company.
- (3) The Board of Directors of the Company shall decide on the use of the reserve fund in compliance with the principles adopted by the general meeting unless the use involves settlement of the Company's loss which is subject to the decision-making by the general meeting. The Board of Directors shall inform the next general meeting about the manner of disposing of the reserve fund. If the general meeting adopts no principles, the Board of Directors shall decide at their discretion but this shall be without prejudice to the obligation to inform.
- (4) The Company may create also other funds in compliance with legal regulations and internal rules and replenish them from its net profit by an amount the final volume of which is subject to the approval by the general meeting of distribution of profit. The general meeting shall decide on establishment and the manner of use of such funds and commission the Supervisory Board to prepare internal regulations for use of such funds.

**Article XXII.  
Profit Distribution Rules**

- (1) A shareholder shall be entitled to a share in the Company's profit determined by the general meeting for distribution based on the achieved profit or incurred loss. A shareholder shall be entitled to a share proportionally to their paid-up contribution.
- (2) Until the Company is dissolved, only the net profit may be distributed among shareholders:
  - a) reduced by the contributions to the reserve fund or other funds that the Company creates in compliance with law and by the unsettled loss incurred in preceding years,
  - b) increased by the undistributed profit achieved in preceding years and the funds created from profit the use of which is not stipulated by law.
- (3) The Company must not pay shareholders the interest on contributions to the Company and advance payments in respect of profit shares.
- (4) The entitlement to the share in the Company's profit may be subject to a separate transfer from the date of the general meeting's decision on distribution of profit to shareholders.
- (5) The share of the members of the Board of Directors and Supervisory Board in profit (bonus) may be determined by the general meeting based on the profit determined for distribution.
- (6) The manner and place of payment of the share in the Company's profit shall be determined by the general meeting that decides on the distribution of profit. The Company shall pay shares in profit to shareholders at its expense and risk..

**Article XXIII.  
Dissolution and Termination of the Company**

- (1) The general meeting decides on dissolution of the Company. The general meeting may decide on dissolution of the Company with or without liquidation.
- (2) The Company shall be dissolved without liquidation when:
  - a) all its assets are transferred to a legal successor,
  - b) the general meeting decides about a merger, fusion, division or transformation of the Company into a different form or a cooperative,
  - c) the Company has no assets,
  - d) the court has terminated bankruptcy proceedings due to the lack assets of the bankrupt,
  - e) no assets are left for the Company after the end of bankruptcy proceedings.
- (3) Liquidation is required where:
  - a) the general meeting decides on dissolution of the Company due to, for instance, a bad economic situation and lack of perspectives for the Company or due to other reasons,
  - b) the court has decided on the dissolution and liquidation of the Company upon a petition filed by the state authority or a person proving a legal interest,
  - c) there are some assets left after the end of bankruptcy proceedings.

- (4) If the Company is to be dissolved with liquidation, the general meeting shall appoint a liquidator upon the proposal made by the Board of Directors. Upon appointment of the liquidator, the competence of the Board of Directors to act on behalf of the Company shall be transferred to him/her. Where several liquidators are appointed and their appointments do not indicate otherwise, each of them shall have this competence.
- (5) The liquidator shall make on behalf of the Company only the acts aimed at liquidation of the Company. Within exercise of this competence, he/she shall comply with the Company's liabilities, enforce its claims, and receive settlements, represent the Company before courts and other authorities, and conclude settlements and enter into agreements on modification and termination of rights and liabilities.
- (6) The liquidator shall notify all known creditors about the Company's being subject to liquidation. Furthermore, he/she shall publish the fact that the Company has become subject to liquidation and the invitation for the Company's creditors and other persons and authorities affected by to register their claims or other rights within a period of time that must not be shorter than three months.
- (7) The liquidator shall prepare a balance sheet as at the date of commencement of liquidation of the Company and shall send an overview of the Company's assets to each shareholder who requests it. As at the date of end of liquidation, the liquidator shall draw up a financial statement and submit it to the general meeting for approval along with the final report on the course of liquidation and proposal for distribution of the liquidation balance among shareholders. The liquidator shall be entitled to summon the general meeting of the Company in order to submit the financial statement, final report, and the proposal for distribution of the liquidation balance. The general meeting shall decide on the proposals submitted by the liquidator and this in the manner and by the majority of votes determined for adoption of the decision on dissolution of the Company.
- (8) After satisfying all creditors, the liquidation balance shall be distributed among shareholders proportionally to their paid-up contributions unless the Articles set out otherwise.
- (9) The entitlement to a share in the liquidation balance may be subject to a separate transfer from the date as at which the proposal for distribution of the liquidation balance is approved.
- (10) The Company shall be terminated on the date of its strike-off from the Commercial Register..

**Article XXIV.  
Final Provisions**

1. The Company is established for an indefinite period of time.
2. These Articles shall take effect on the day on which they are approved by the Company's general meeting.
3. The legal relationships associated with the Company's activities, which are not covered herein, shall be governed by the Commercial Code and other generally binding legal regulations.
4. If any provision of the Articles becomes invalid or disputable, the legal regulations the character and purpose of which are as close as possible to such provisions of these Articles shall be applied. If there are no such legal regulations, it shall be proceeded based on the best practice in the area in which the Company performs its business activities.
5. The general meeting shall decide on complementation or modification of these Article upon a motion made by a shareholder, Board of Directors or the Supervisory Board and this based on the two-third majority of votes of attending shareholders.
6. The facts that are to be published by virtue of law or these Articles shall be published in the Commercial Journal.
7. These Articles shall be kept at the registered office of the Company. Upon a request, any shareholder or the person who proves a legal interest shall be allowed to inspect them..

Updated January 14, 2019, amendments approved at the general meeting of the Company; comes into effect on the day of registering the amendments in the Commercial Register of the Slovak Republic January 31, 2019.