

FIRST INVESTMENT BANK AD

MINUTES of the REGULAR ANNUAL MEETING OF SHAREHOLDERS

held on 21.05.2014 in the city of Sofia

The General Meeting of Shareholders was held on 21.05.2014 in the city of Sofia, at Sheraton Sofia Hotel Balkan, Serdika Hall, 5 Sveta Nedelya Sq. The meeting was opened at 11:15 hours.

Before opening of the General Meeting, a registration of the attending shareholders was performed, and a list of the shareholders present prepared. The list of shareholders was signed by every shareholder attending in person, or by proxy.

The following members of the Managing Board of First Investment Bank AD were present at the meeting:

1. Mr. Dimitar Kostov – Chairman, member of the Managing Board and Executive Director;
2. Mr. Vassil Christov – member of the Managing Board and Executive Director;
3. Mr. Svetoslav Moldovansky – member of the Managing Board and Executive Director;
4. Ms. Maya Oyfalosh – member of the Managing Board and Executive Director

The following members of the Supervisory Board of First Investment Bank AD were present at the meeting:

1. Mr. Evgeni Lukanov – Chairman and member of the Supervisory Board;
2. Ms. Maya Georgieva – member of the Supervisory Board;
3. Mr. Jordan Skortchev – member of the Supervisory Board

The following persons were also present who are not shareholders:

1. Ms. Iliana Stoykova – Director, Legal Department
2. Ms. Vassilka Stamatova – Director, Investor Relations
3. Mr. Yanko Karakolev – Chief Financial Officer
4. Ms. Margarita Goleva – representative of the auditing firm
5. Ms. Milena Vassileva
6. Ms. Maria Urmanova
7. Ms. Viliana Todorova
8. Ms. Lyudmila Lyubomirova

Mr. Dimitar Kostov welcomed the participants. He introduced himself to the attending shareholders, also introducing the other Executive Directors and members of the Managing Board, the Legal Department and Investment Relations directors present at the podium. Then he proposed to verify the quorum by counting the shares of First Investment Bank AD represented at the meeting.

The verification showed that 95,607,807 (ninety-five million six hundred and seven thousand eight hundred and seven) shares were represented, or 86.92% (eighty-six and ninety-two hundredths percent) of the total of 110,000,000 (one hundred and ten million) shares of the company.

It was found that the quorum for holding the meeting required by law and by the statutes of the company is available and the meeting can take legally valid decisions, as well as that the meeting was properly convened and the formal requirements of the Commerce Act, the Public Offering of Securities Act and the by-laws of First Investment Bank AD were met. Mr. Dimitar Kostov informed the participants that part of the shareholders would exercise their voting rights by authorized representatives, that verification of the proxies presented by them for this purpose was

carried out and such proxies were found regular. After that Mr. Dimitar Kostov declared the meeting open.

After explaining to the present shareholders that they can vote using the sheet given to them upon registration, on which the number of shares is inscribed by which each shareholder is entitled to vote at the meeting, Mr. Dimitar Kostov, gave the floor to Mr. Vassil Christov - Executive Director and member of the Managing Board of the Bank.

Mr. Vassil Christov, in fulfillment of the requirements of the law and the statutes of the Bank, made a procedural proposal for election of the bodies of the meeting: a chairman of the meeting, a secretary and vote counters, proposing Mr. Dimitar Kostov, Executive Director of First Investment Bank AD, to be elected as chairman of the meeting, Ms. Vassilka Stamatova – Director, Investor Relations as secretary, and Ms. Milena Vassileva, Ms. Maria Urmanova, Ms. Viliانا Todorova and Ms. Lyudmila Lyubomirova - as vote counters. The proposal for the election of bodies of the meeting was voted 'en bloc'.

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,807

No votes – none

Abstained– none

As a result of the vote, the General Meeting of Shareholders adopted by unanimity of the represented voting shares the following

PROCEDURAL DECISION

Elects Mr. Dimitar Kostov as chairman of the General Meeting of Shareholders, Ms. Vassilka Stamatova – Director, Investor Relations as secretary, and Ms. Milena Vassileva, Ms. Maria Urmanova, Ms. Vilianna Todorova and Ms. Lyudmila Lyubomirova - as vote counters.

The chairman of the meeting Mr. Dimitar Kostov proposed, with a view to the efficient running of the meeting's proceedings, to adopt a regulation on the length of statements and questions of individual shareholders and a maximum time for debates on individual agenda items. He proposed a limit of up to 5 minutes for a separate statement and up to 15 minutes for debate on each agenda item and then invited the present shareholders to vote.

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,807

No votes – none

Abstained – none

As a result of the vote, the General Meeting of Shareholders adopted by a majority of the represented voting shares the following

PROCEDURAL DECISION

Adopts a regulation on the length of statements and questions of individual shareholders and a maximum time for debates on individual agenda items as follows: up to 5 minutes for a separate statement and up to 15 minutes for debate on each agenda item.

The chairman pointed out that questions asked during the considerations of each of the items on the meeting's agenda should not address circumstances that constitute bank secrecy or inside information, including questions about granted loans, borrowers, or amounts of internal exposures.

A voting was conducted on the agenda of the General Meeting announced in the notification for convening the meeting.

The present shareholders unanimously adopted the proposal to conduct the General Meeting under the following

A G E N D A:

1. Management Report of First Investment Bank AD for 2013;
2. Report of the specialized audit company on the audit of the annual financial statements of the;
3. Approval of the Annual Financial Statements of the Bank for 2013;
4. Decision for the distribution of the profit of First Investment Bank AD for 2013;
5. Adoption of resolution not to pay dividends and not to make any other deductions from the 2014 profit;
6. Relief of responsibility of the members of the Managing and Supervisory Board of First Investment Bank AD for their activities in 2013;
7. Report of First Investment Bank's Investor Relations Director for 2013;
8. Report of the Internal Control Specialized Unit Director for 2013;
9. Appointment of registered auditor for 2014;
10. Report of the Audit Committee for its activities in 2013;
11. Approval of a new limit of total remuneration of the members of the Managing and Supervisory Board of the Bank which shall not exceed BGN 5,000,000 (five million) per annum
12. Changes in the scope of activity of First Investment Bank AD
13. Adoption of changes in the By-Laws of First Investment Bank AD.

After adoption of the agenda, the General Assembly proceeded to considering and voting on each item of the thus proposed and adopted by the attending shareholders agenda.

ON ITEM ONE OF THE AGENDA

Mr. Dimitar Kostov noted that the activity reports of the Bank for the past 2013 on consolidated and non-consolidated basis have been made available to all shareholders; the reports were part of the written materials for the meeting, and all attendees have had the opportunity to review them in advance.

No questions were raised on the item under consideration, and the chairman of the meeting Mr. Dimitar Kostov proposed to vote on the draft resolution: The General Meeting of Shareholders approves the consolidated and non-consolidated Management Report of the Bank for 2013.

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,807

No votes – none

Abstained – none

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders approves the consolidated and non-consolidated Management Report of the Bank for 2013.

ON ITEM TWO OF THE AGENDA

The chairman of the meeting proposed to proceed to consideration of item two on the agenda, the proposal of the Managing Board that the General Meeting approves the Report of the specialized audit company on the audit of the annual financial statements of the Bank for 2013

The shareholders attending the meeting did not raise any questions on that item of the agenda.

The chairman of the meeting Mr. Dimitar Kostov proposed to vote on the draft resolution: The General Meeting of Shareholders approves the Report of the specialized audit company on the audit of the annual financial statements of the Bank for 2013.

The results of the vote were as follows:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,807

No votes – none

Abstained – none

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders approves the Report of the specialized audit company on the audit of the annual financial statements of the Bank for 2013;

ON ITEM THREE OF THE AGENDA

The chairman of the meeting Mr. Dimitar Kostov noted that the consolidated and non-consolidated financial statements of the Bank are part of the written materials for the meeting and in, the statutory period prior to the date of the meeting, were made available to the shareholders. The shareholders attending the meeting did not raise any questions on that item of the agenda.

The chairman of the meeting Mr. Dimitar Kostov proposed to vote on the draft resolution: The General Meeting of Shareholders approves the Annual Financial Statement of the Bank for 2013 – consolidated and non-consolidated;

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,807

No votes – none

Abstained – none

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders approves the Annual Financial Statement of the Bank for 2013 – consolidated and non-consolidated.

ON ITEM FOUR OF THE AGENDA

The shareholders attending the meeting did not raise any questions on that item of the agenda.

The chairman of the meeting Mr. Dimitar Kostov proposed to vote on the draft resolution: The General Meeting of Shareholders approves that the entire profit of the Bank for 2013 be retained as other general reserves.

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,407

No votes – none

Abstained – 400

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders approves that the entire profit of the Bank for 2013 be retained as other general reserves.

ON ITEM FIVE OF THE AGENDA

A question was raised by the shareholder Mr. Chukov as to when would the profit for the second half of 2014 be capitalized. The chairman of the meeting Mr. Dimitar Kostov answered the question.

No other questions were raised. Mr. Dimitar Kostov proposed to the shareholders to vote on the draft resolution – The General Meeting of Shareholders resolves that no dividends shall be paid to the shareholders and no other deductions from the profit of the Bank for the year 2014 shall be made with a view to including the profit as at June 30th in the Bank's capital.

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,807

No votes – none

Abstained – none

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders resolves that no dividends shall be paid to the shareholders and no other deductions from the profit of the Bank for the year 2014 shall be made with a view to including the profit as at June 30th in the Bank's capital;

ON ITEM SIX OF THE AGENDA

The shareholders attending the meeting did not raise any questions on that item of the agenda.

The chairman of the meeting Mr. Dimitar Kostov proposed to vote on the draft resolution: The General Meeting of Shareholders relieves the members of the Managing and Supervisory Boards of First Investment Bank AD of responsibility for their activities in 2013.

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,807

No votes – none

Abstained – none

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders relieves the members of the Managing and Supervisory Boards of First Investment Bank AD of responsibility for their activities in 2013.

ON ITEM SEVEN OF THE AGENDA

The shareholders attending the meeting did not raise any questions on that item of the agenda.

The chairman of the meeting Mr. Dimitar Kostov proposed to vote on the draft resolution: The General Meeting of Shareholders approves the Report of First Investment Bank's Investor Relations Director for 2013;

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,807

No votes – none

Abstained – none

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders approves the Report of First Investment Bank's Investor Relations Director for 2013.

ON ITEM EIGHT OF THE AGENDA

The shareholders attending the meeting did not raise any questions on that item of the agenda.

The chairman of the meeting Mr. Dimitar Kostov proposed to vote on the draft resolution: The General Meeting of Shareholders approves the Report of the Internal Control Specialized Unit Director for 2013.

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,807

No votes – none

Abstained – none

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders approves the Report of the Internal Control Specialized Unit Director for 2013.

ON ITEM NINE OF THE AGENDA

The chairman of the meeting proposed to vote on the draft resolution: The General Meeting of Shareholders appoints the specialized audit company KPMG Bulgaria OOD to audit the annual financial statements of the Bank for 2014.

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,807

No votes – none

Abstained – none

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders appoints the specialized audit company KPMG Bulgaria OOD to audit the annual financial statements of the Bank for 2014.

ON ITEM TEN OF THE AGENDA

The shareholders attending the meeting did not raise any questions on that item of the agenda.

The chairman of the meeting Mr. Dimitar Kostov proposed to vote on the draft resolution: The General Meeting of Shareholders approves the Report of the Audit Committee for its activities in 2013.

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,807

No votes – none
Abstained – none

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders approves the Report of the Audit Committee for its activities in 2013.

ON ITEM ELEVEN OF THE AGENDA

The chairman of the meeting Mr. Dimitar Kostov stated that, as is well known to the shareholders of the Bank, in the month of March the merger was registered of Union Bank EAD into First Investment Bank AD. In connection with that, and with the envisaged increase in senior management staff, the Managing Board proposes to the General Meeting of Shareholders to confirm the current amount of remuneration of members of the Supervisory Board and Managing Board and to vote on its increase, so that the new total remuneration reaches up to BGN 5,000,000 (five million leva) per annum.

The shareholders attending the meeting did not raise any questions on that item of the agenda.

The chairman of the meeting Mr. Dimitar Kostov proposed to vote on the draft resolution on item eleven of the agenda.

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 93,820,182

No votes – 41,254

Abstained – 1,746,371

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders confirms the current amount of remuneration of the members of the Managing and Supervisory Boards of the Bank and, in view of the consolidation of the two credit institutions (merging of Unionbank EAD into First Investment Bank AD) and the expected increase in senior management staff approves its increase so that the new total remuneration of the members of the Managing and Supervisory Board of the Bank reaches up to BGN 5,000,000 (five million leva) per annum.

ON ITEM TWELVE OF THE AGENDA

The chairman of the meeting Mr. Dimitar Kostov clarified that the proposed changes in the scope of activity of the Bank are related to the announced amendments to the Law on Credit Institutions (LCI) and thereby the proposed scope of activity complies with the provisions of Article 2, paragraph 2 of the LCI.

The shareholders attending the meeting did not raise any questions on that item of the agenda.

The chairman of the meeting Mr. Dimitar Kostov proposed to vote on the draft resolution on item twelve of the agenda.

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95,607,807

No votes – none

Abstained – none

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders adopts changes in the scope of activity of the Bank as follows:

The Bank is engaged in the business of publicly accepting deposits or other repayable funds and extending loans and other financing for its own account and at its own risk. The Bank may also conduct the following activities:

1. providing money transfer services as defined in the Law on Payment Services and Payment Systems;
2. issuance and administration of other means of payment (payment cards, traveler's cheques and bills of credit) in so far as these activities do not fall within the scope of item 1;
3. acceptance of valuables on deposit;
4. depository and custodian services;
5. financial leasing;
6. guarantee transactions;
7. trading for its own account or for customers' account with foreign currency and precious metals except for derivative financial instruments over foreign currency and precious metals;
8. rendering of services and/or performance of activities under Article 5, Paragraph 2 and Paragraph 3 of the Law on Markets in Financial Instruments;
9. financial brokerage;
10. acquisition of receivables arising out of loans and other forms of financing (factoring, forfeiting and other);
11. equity acquisition and management;
12. safe deposit box rental;
13. collection and distribution of information and references on customers' creditworthiness;
14. issue of electronic money;
15. other such activities defined in an ordinance of the Bulgarian National Bank (BNB).

ON ITEM THIRTEEN OF THE AGENDA

The chairman of the meeting Mr. Dimitar Kostov clarified that the proposed amendments to the By-Laws of the Bank aim to reflect certain amendments to the Law on Credit Institutions, including the changes in the scope of activity of the Bank adopted under the previous item 12 of the agenda.

The shareholders attending the meeting did not raise any questions on that item of the agenda.

The chairman of the meeting Mr. Dimitar Kostov proposed to vote on the draft resolution on item thirteen of the agenda

Results of the vote:

Total shares represented – 95,607,807

Total shares represented for which valid votes were cast – 95,607,807, representing 86.92% of the share capital of the company

Total number of valid votes cast – 95,607,807

Yes votes – 95 566 553

No votes – 41 254

Abstained – none

Based on the results of the voting, the General Meeting of Shareholders adopted the following

RESOLUTION:

The General Meeting of Shareholders adopts amendments to the By-Laws of the Bank as follows:

Article 4, para 2 shall be amended and supplemented as follows:

a) the phrase “providing money transfer services; starting as from November 1st, 2009” in item 1 shall be deleted;

b) it. 7 shall be amended as follows: letter “a”, letter “b” and letter “c” shall be deleted, with the text under letter “b” becoming text of item 7 and having the following wording: “trading for its own account or for customers’ account with foreign currency and precious metals except for derivative financial instruments over foreign currency and precious metals”

c) item 8 shall be amended as follows: “rendering of services and/or performance of activities under Article 5, Paragraph 2 and Paragraph 3 of the Law on Markets in Financial Instruments”

d) item 10 shall be deleted;

e) item 11 shall be amended as follows: “acquisition of receivables arising out of loans and other forms of financing (factoring, forfeiting and other)”;

13.2 Article 15, para. 4 shall be amended as follows:

“Natural or legal persons, or persons acting in coordination, may not acquire directly or indirectly any shares in the Bank’s capital or voting rights without the prior permission of BNB, if following the share acquisition such persons will have qualified shareholding or the shareholding will reach or exceed the thresholds of 20, 33, or 50 per cent of the shares or the voting rights; or if the Bank is becoming an affiliate company. Where the shares under the previous sentence are acquired without prior permission by BNB on public offering of shares on the stock exchange or any other regulated securities market, the transferees may not exercise the voting rights on these shares until receipt of BNB’s written permission, for the issuance of which they shall submit an application within one month of the occurrence of the relevant fact requiring obtaining of such permission.”

13.3 Article 42, para. 5 and para. 7 of the Bylaws shall be supplemented as follows:

a) para. 5 shall be supplemented by adding “and having the required skills, knowledge, experience, trustworthiness and aptitude in compliance with criteria set forth by ordinance of BNB” at the end;

b) para. 7 shall be supplemented by adding the following as first sentence: “The Supervisory Board shall elect a committee among its members for the selection of candidate members of the Managing Board” and the former first sentence shall be supplemented by adding “other” after “In order to support its activity the Supervisory Board may set up“

There being no further items for discussion on the agenda, the chairman announced the regular annual General Meeting of Shareholders of First Investment Bank AD adjourned.

Chairman of the meeting:

Dimitar Kostov

Secretary:

Vassilka Stamatova

Vote counters:

Milena Vassileva

Maria Urmanova

Viliana Todorova

Lyudmila Lyubomirova