



KOSOVO CREDIT GUARANTEE FUND

POLICY FOR DISMISSAL OF MEMBERS OF THE BOARD OF DIRECTORS

1. Purpose and scope

The following Policy has been made in accordance with the Provisions of the Law.no 05/L-057 on the Establishment of the Kosovo Credit Guarantee Fund and its purpose is to provide a framework to ensure a fair and legal process for the dismissal of members of the KCGF Board of Directors. It sets out the ways KCGF intends to achieve fair treatment for all members. A parallel objective of this policy is to preserve the integrity and reputation of the KCGF.

2. Principles

1. No dismissal will take effect without the Board member being given the opportunity to make representations and to attend a hearing.
2. The mandate of the members of the Board of Directors terminates by the effect of the Law on the Establishment of the Kosovo Credit Guarantee Fund.
3. In cases, when point 2 of section 2 of this Policy applies, procedural steps for formal termination of the mandate of the Board Member, shall be conducted by the Board of Directors.

3. Reasons for Dismissal

1. Any board member shall be dismissed for any of the following reasons, by the operation of Law:
 - a. Is ineligible or has become ineligible to serve on the Management Board under the requirements of Article 16 the Law on KCGF;
 - b. Has been convicted of a criminal offence with final court decision with imprisonment for six (6) months or more;

- c. Has become or has been involved as a debtor in bankruptcy or insolvency proceedings;
- d. Has, on grounds of professional misconduct, been disqualified or suspended by a competent authority from practicing a profession;
- e. Is unable to perform the functions of such office because of an infirmity of body or mind that has lasted for more than six (6) months;
- f. Has been absent from three (3) consecutive meetings of the Board of Directors without justifiable reason.

2. A board member shall be dismissed for reasons other than by operation of Law that would bring discredit to the reputation of the Fund, such as conflict of interest and/or gross negligence in exercising the duty.

4. Procedure for Dismissal

A Board member may be recommended for dismissal in accordance with the following due process:

- a. Filing of Complaint: a proceeding to recommend dismissal of a board member shall be commenced by the General Counsel of KCGF and presented to the Chairperson for proceeding it to the Board of Directors.
- b. Notice of Complaint: notice of the complaint against a board member shall be communicated to the board member against whom the complaint has been made by the Chairperson. Such notice shall be in writing.
- c. Upon receiving a written complaint, the Chairperson of the Board shall call the board meeting and initiate the voting process.
- d. A decision to confirm the dismissal shall be made by majority of votes of the Board members present in the meeting. The entire process is reviewed by the General Counsel/Legal Advisor of the KCGF to ensure the process has been followed properly and is adequately documented.

- e. In the case of an ex-officio member who is a representative of the Ministry of Trade and Industry and/or Ministry of Finance, the decision of the board shall be communicated to the respective Ministry.

7. Implementation of this Policy

This Policy is in place to ensure the orderly running of KCGF and to set the internal rules of conduct and the professional standards required of KCGF Board Members. In any situation where there is a conflict between the Policy and the applicable law, the applicable law shall prevail.

8. Amendments

This Policy shall be reviewed and amended from time to time, and KCGF reserves the right to vary and amend the conditions to meet changing circumstances or remain in accordance with the applicable laws.

9. Compliance and Sanctions

KCGF Board Members are individually responsible for understanding and complying with this Policy. Violations of this Policy and the above mentioned rules and prohibitions could subject Board Members to disciplinary actions.