



ASSOCIATION OF SERBIAN BANKS

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Belgrade, 09.03.2010.
E3/BK

To: ALL BANKS
Chairman of the Executive Board
Head of Legal
Head of Risk

**SUBJECT: Seminar The application of INSOL
Principles to restructuring in Serbia**

The Association of Serbian Banks wishes to develop a consistent approach to debt restructuring in the Serbian market and to identify the principles that should be followed by member banks during such a restructuring process.

Accordingly, we are pleased to invite you to a meeting with leading law firms Clifford Chance and Karanovic & Nikolic on the subject of **Debt Restructuring** on **24 March 2010** from 11:00 AM to 15:00 PM at the premises of the Association of Serbian Banks.

AGENDA

10:30 – 11:00 - Registration of participants

11:00 am – 13:00 pm - Masterclass in Financial Restructuring

This is the second opportunity to participate in this well received seminar from January 2010 with leading legal advisors covering topics including:

Managing the restructuring process

- ✍ Preparation
- ✍ Stabilisation
- ✍ Investigation and Planning
- ✍ Implementation

Consensual approaches to restructuring indebtedness

- ✗ Increasing security (from debtor, guarantors or shareholders)
- ✗ Reducing indebtedness (dividend stop, excess cash flow, asset sales)
- ✗ Repricing (and hybrid benefits)
- ✗ Greater control (stricter covenants, equity interest)

Non-consensual approaches to restructuring indebtedness

- ✗ Bankruptcy
- ✗ Reorganisation
- ✗ Pre-packaged reorganisation
- ✗ Creditors' measures and distribution order
- ✗ Insolvency

Threats to Lenders' position

- ✗ Liability to borrower or other creditors
- ✗ Enforcement/acceleration/litigation by other creditors
- ✗ Insolvency of borrower
- ✗ Challenges to payments/security made within restricted periods
- ✗ Forum shopping by borrower

13:00 pm – 14:00 pm Snack Break**14:00 pm – 15:00 pm Applying INSOL Principles to the Serbian market**

- ✗ History and overview
- ✗ Comparative experience
- ✗ Applicability in Serbia

Discussions will be led by **Simon Williams** (Partner, Banking & Finance, Clifford Chance), **John Fenemore** (Senior Associate, Banking & Finance, Clifford Chance), **Maja Jovančević** (Partner, Karanović & Nikolić, Banking & Finance Department) and **Darko Jovanović** (Partner, Karanović & Nikolić, Banking & Finance Department).

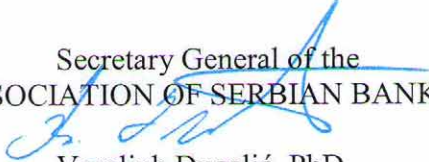
In order to facilitate discussions on the applicability of such an approach to the Serbian market, participants are requested to review the INSOL Principles in advance and to submit their preliminary questions and comments.

A comprehensive statement of the INSOL Principles can be found at:
<http://www.insol.org/pdf/Lenders.pdf>

Please confirm participation (two participants maximum) and provide your questions/comments by close of business on **18 March 2010** to the following e-mail address: ubs@ubs-asb.com.

No fee is payable for this seminar.

Sincerely,

Secretary General of the
 ASSOCIATION OF SERBIAN BANKS

 Veroljub Dugalić, PhD