

TRANSLATION

# DRAFT CHARTER OF HO CHI MINH CITY DEVELOPMENT JOINT STOCK COMMERCIAL BANK

## PREAMBLE

HO CHI MINH CITY DEVELOPMENT JOINT STOCK COMMERCIAL BANK (hereinafter referred to as “Bank”) is a joint stock commercial bank which undertakes banking activities, currency exchange and other related business activities in compliance with legal regulations, for profitability and contribution to national economic development. Organization and operation of the Bank are conducted in accordance with this Charter, prevailing regulations established by the State Bank of Vietnam (SBV) and other relevant legal regulations.

This Charter was adopted by the General Meeting of Shareholders of the Bank under the Resolution No. /2021/NQ-ĐHĐCD dated ....., 2021 of the General Meeting of Shareholders approving the amendment and supplementation to the HDBank’s Charter, in accordance with SBV’s regulations and prevailing relevant legal regulations.

This Charter contains 23 Chapters, 94 Articles.

## Chapter 1

### DEFINITIONS OF TERMS

#### Article 1. Definitions

*1. In this Charter the terms in brackets shall have the meanings set out below:*

- a. “**Charter Capital**” Charter Capital of the Bank means the capital that is either actually granted by its owners or actually contributed by its shareholders and is recorded in the Charter of the Bank.
- b. “**Enterprise Law**” means Enterprise Law No. 59/2020/QH14 adopted by the National Assembly of the Socialist Republic of Vietnam on 17 June 2020, and its amendments, supplements and replacements from time to time.
- c. “**Law on Securities**” is the Law on Securities No. 54/2019/QH14 adopted by the National Assembly of the Socialist Republic of Vietnam on 26 November 2019 and its amendments, supplements and replacements from time to time.

- d. **“Law on Credit Institutions”** means Law on Credit Institutions No. 47/2010/QH12 dated 16 June 2010, and its amendments, supplements and replacements from time to time.
- e. **“Date of Establishment”** means the date on which the Establishment License was granted to the Bank for the first time.
- f. **“The Bank Management Officers”** include the Chairman and members of the Board of Directors, the Chief Executive Officer and other managerial titles as prescribed in this Charter.
- g. **“The Bank Executive Officers”** include the Chief Executive Officer, Deputy Chief Executive Officers, the Chief Accountant, Branch Directors and equivalent titles as prescribed in this Charter<sup>1</sup>.
- h. **“Parent company”** means a company which is considered as the parent company of another company (a **“Subsidiary”**) if it falls into one of the followings<sup>2</sup>:
  - i. Owning more than 50% of the charter capital or of the total issued ordinary shares of such company;
  - ii. Having the right to directly or indirectly appoint a majority of or all of members of the Board of Directors, Director or the Chief Executive Officer of such company;
  - iii. Having the right to make decision on amendments and supplements to the charter of such company;
  - iv. Having the right of direct or indirect control over the adoption of resolutions and decisions of the General Meeting of Shareholders, Board of Directors, Members’ Council of such company.
- i. **“Related person”** means any individual or organization directly or indirectly related to another organization or individual in one of the following cases<sup>3</sup>:
  - i. A parent company with regard to its subsidiary company and vice versa; a credit institution with regard to its subsidiary company and vice versa; subsidiaries of the same parent company or of the same credit institution; management officers or members of the Supervisory Board of parent company or of a credit institution, or individuals or organizations having the power to appoint such management positions with regard to a subsidiary and vice versa;
  - ii. A company or a credit institution with regard to a management officer or member of the Supervisory Board of such company or credit institution, or with regard to a company or organization having the power to appoint such management positions and vice versa;

<sup>1</sup> Clause 32 Article 4 of the Law on Credit Institutions.

<sup>2</sup> Clause 30 Article 4 of the Law on Credit Institutions.

<sup>3</sup> Clause 28 Article 4 of the Law on Credit Institutions (as amended and supplemented by Clause 1 Article 1 Law on amendments and supplementations to Law on Credit Institutions).

- iii. A company or credit institution with regard to an organization or individual owning 5% or more of the charter capital or voting shares of such company or credit institution and vice versa;
  - iv. An individual with regard to the spouse, parents, child or sibling of such individual;
  - v. A company or credit institution with regard to an individual prescribed in point (iv) of this Clause of a management officer, member of the Supervisory Board, capital contributor or shareholder owning 5% or more of the charter capital or voting shares of such company or credit institution and vice versa;
  - vi. An individual authorized to act as representative of an organization or individual prescribed in Points (i), (ii), (iii), (iv), and (v) of this Clause with regard to the organization or individual who is the principal; individuals authorized to act as representatives of capital contribution portions of the same organization.
- j.** Any legal entity or individual with a potentially risky relationship for the operation of a credit institution as determined in accordance with the internal rules of such credit institution or pursuant to a written request from the State Bank via an inspection and supervision for each specific case. "**Persons with family relationship**" include spouse, natural parents, adoptive parents, parents-in-law, biological children, adopted child, son-in-law, daughter-in-law, natural siblings, brother-in-law, and sister-in-law<sup>4</sup>.
- k.** "**Subsidiary of the Bank**<sup>5</sup>" means a company which falls into one of the following cases:
- i. The Bank, or the Bank and a related person of the Bank, owns 50% or more of the charter capital or more than 50% of the voting share capital of the subsidiary;
  - ii. The Bank has the right to directly or indirectly appoint a majority of or all members of the Board of Directors or Members' Council or the Chief Executive Officer of the subsidiary;
  - iii. The Bank has the right to amend or supplement the charter of the subsidiary;
  - iv. The Bank and its related persons have direct or indirect control over the ratification of Resolutions, decisions of the General Meeting of Shareholders, of the Board of Directors or of the Members' Council of the subsidiary.
- l.** "**Affiliate of the Bank**<sup>6</sup>" means a company in which the Bank or the Bank and its related persons owns more than 11% of the charter capital or voting share capital and which, however, is not a subsidiary of the Bank.
- m.** "**Vietnam**" means the Socialist Republic of Vietnam.
- n.** "**Share**" means either a certificate issued by the Bank or a book entry or electronic data certifying the ownership of one or more shares of the Bank.

<sup>4</sup> Clause 22 Article 4 Enterprise Law 2020.

<sup>5</sup> Clause 30 Article 4 of the Law on Credit Institutions.

<sup>6</sup> Clause 29 Article 4 of the Law on Credit Institutions.

- o. “*Founding Shareholder*”** means shareholders who contribute capital to the Bank’s establishment, participate in the development and adoption of and signing of the first Charter of the Bank.
- p. “*Major shareholders*”** are shareholders directly or indirectly owning 5% or more of the voting share capital of the Bank.<sup>7</sup>
- q. “*Independent Board Member*”** means any Board Member who fully meets the standards and conditions stipulated in Clause 4, Article 36 of this Charter.
- r. “*Bank Reorganization*”** means the splitting, consolidation, merger or change in legal form after being approved in writing by SBV.
- s. “*Early Intervention*”** means the State Bank’s order upon the Bank to remedy the situation prescribed in Clause 1, Article 14 of this Charter<sup>8</sup>.
- t. “*Special Control*”** means the direct control of the State Bank over the Bank in accordance with the provisions in Chapter 20 of this Charter<sup>9</sup>.
- u. “*Plan on Restructuring the Bank which is under a Special Control*”** (abbreviated as the Restructuring Plan) means one of the following plans:<sup>10</sup>

  - i. Remedial plan;
  - ii. Plan on merger, consolidation, or transfer of the entire shares;
  - iii. Plan on dissolution;
  - iv. Plan on compulsory transfer; and
  - v. Plan on bankruptcy.
- v. “*Remedial Plan*”** means a plan employing measures in order for the Bank being under a special control to remedy by itself the situation which subjected it to the special control<sup>11</sup>.
- w. “*Plan on Merger, Consolidation or Transfer of all stocks or Contributed Capital*”** means a plan applicable when a credit institution merges or consolidates, or when an investor receives the transfer of all stocks of the Bank which is under a Special Control.<sup>12</sup>
- x. “*Plan on Compulsory Transfer*”** means a plan whereby shareholders of the Bank under a Special Control have to transfer all of their shares to a transferee<sup>13</sup>.
- y. “*Transferee*”** means the Bank making a request for taking over, under a compulsory transfer, another commercial bank which is under a special control in accordance with

<sup>7</sup> Clause 26 Article 4 of the Law on Credit Institutions.

<sup>8</sup> Clause 2 Article 1 of the Law on amendments and supplements to the Law on Credit Institutions.

<sup>9</sup> Clause 2 Article 1 of the Law on amendments and supplements to the Law on Credit Institutions.

<sup>10</sup> Clause 2 Article 1 of the Law on amendments and supplements to the Law on Credit Institutions.

<sup>11</sup> Clause 2 Article 1 of the Law on amendments and supplements to the Law on Credit Institutions.

<sup>12</sup> Clause 2 Article 1 of the Law on amendments and supplements to the Law on Credit Institutions.

<sup>13</sup> Clause 2 Article 1 of the Law on amendments and supplements to the Law on Credit Institutions.

- the compulsory transfer plan and such compulsory transfer is approved by a competent State agency.<sup>14</sup>.
- z.** “*Authorized Representative of the Bank*” means the persons appointed by the Board of Directors of the Bank as prescribed in this Charter to represent and/or participate in the management of related companies of which the Bank is a either owner, or capital contribution member, or shareholder, and to report on such management to the Bank.
- aa.** “*Charter*” or “*This Charter*” means this Charter, including any amendments and supplements thereto (if any).
- bb.** “*Legal paper of an individual*” means any of the following papers: citizen identity card, people’s identity card, passport, or another lawful paper of personal identification.
- cc.** “*Legal paper of an organization*” means any of the following papers: establishment decision, enterprise registration certificate or another document of equivalent validity.
- dd.** “*Contact address*” means the registered head office address of an organization; address of permanent residence or working place of an individual who registered with the enterprise as its contact address.
2. In this Charter, any reference to one or some provisions or other documents shall include their amendments or replacements.
3. The headings (chapters or articles of this Charter) are used for convenience only and do not affect the content of this Charter.
4. Terms or expressions defined in the Enterprise Law, the Law on Securities and the Law on Credit Institutions and their instructional documents, if not contrary to the subject or context of the Charter, shall have the same meaning as prescribed herein.

## **Chapter 2**

### **NAME, ADDRESS AND TERM OF OPERATION OF THE BANK**

#### **Article 2. Name, address, form, legal representative, branch, representative office, term of operation and seal of the Bank**

##### **1. Name of the Bank**

- Full name in Vietnamese : NGÂN HÀNG THƯƠNG MẠI CỔ PHẦN  
PHÁT TRIỂN THÀNH PHỐ HỒ CHÍ MINH
- Abbreviated name in Vietnamese : Ngân hàng Phát triển Thành phố Hồ Chí Minh
- Full name in English : Ho Chi Minh City Development Joint Stock  
Commercial Bank
- Abbreviation : HDBank

##### **2. Registered head office of the Bank**

<sup>14</sup> Clause 2 Article 1 of the Law on amendments and supplements to the Law on Credit Institutions.

- Address: 25 Bis Nguyen Thi Minh Khai, Ben Nghe Ward, District 1, Ho Chi Minh City
  - Telephone : 028 6291 5916
  - Fax : 028 6291 5900
  - E-mail : ho@hdbank.com.vn
  - Website : [www.hdbank.com.vn](http://www.hdbank.com.vn)
3. The Bank is a joint stock commercial bank having juridical personality in accordance with current laws of Vietnam.
4. Legal representative of the Bank is Chief Executive Officer.
- The Chief Executive Officer may delegate other persons in writing under the internal mechanism for delegation of powers prescribed by the Bank's Board of Directors to undertake his/her duties and powers. Written power delegation documents shall specify scope and duration of the delegation. Delegated persons may only perform transactions within the delegated scope.
5. The Bank's branches and transaction offices are established with the permission of SBV and are reflected in the Bank's business registration certificate.
- The Bank may establish branches, representative offices, non-business units and other forms of commercial presences when obtaining permission of competent authorities and SBV in accordance with the law<sup>15</sup>.
6. Term of operation of the Bank is 99 years from the issuance date of the Bank's establishment and operating license.
7. The Bank has its own seals which are stored, preserved and used in accordance with the law.

## **Chapter 3**

### **OBJECTIVES OF THE BANK, SCOPE AND OPERATION**

#### **Article 3. Objectives of the Bank**

The Bank aims to develop and provide a diversified range of useful banking products for both local and international customers; achieve the target of becoming a multi-functional retail bank with high value in the market; comply with general requirements of the Government and SBV regarding developing, operating and assuring the healthiness and sustainability of the national economic, financial and monetary systems. The Bank shall implement all needed strategies to achieve strong and sustainable growth, high profitability on the basis of balancing interests among the Bank, shareholders and society.

#### **Article 4. Scope of operation**

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<sup>15</sup> Article 30 Law on Credit Institutions.

The Bank is permitted to conduct all banking activities and other business activities as prescribed in the License granted by SBV to the Bank.<sup>16</sup>

**Article 5. Operations of the Bank<sup>17</sup>**

1. Receiving deposits in the form of demand deposits, term deposits, saving deposits and other types of deposits.
2. Issuing deposit certificates, treasury bills, promissory notes and bonds for mobilizing local and international funds.
3. Providing credit facilities in the following forms:
  - a. Loan;
  - b. Discount, rediscount of negotiable instruments and other valuable papers;
  - c. Bank guarantee;
  - d. Issuance of credit cards;
  - e. Domestic factoring and international factoring upon permission of SBV;
  - f. Other forms of extension of credit facilities subject to SBV's approval.
4. Opening payment accounts for customers.
5. Providing payment instruments.
6. ***Providing the following payment services:***
  - a. Providing domestic payment services including checks, payment orders, standing orders, collection orders, letters of credit, bank cards, cash collection and payment services;
  - b. Providing international payment and other payment services after being approved by SBV.

**7. *Borrowing from SBV***

The Bank is permitted to borrow funds from SBV in the form of refinancing in accordance with regulations of SBV.

**8. *Borrowing from credit institutions and financial institutions***

The Bank is permitted to borrow from other local and international credit institutions and financial institutions in accordance with the law.

**9. *Opening account<sup>18</sup>***

- a. The Bank shall open a deposit account at SBV and maintain an average balance which shall be no less than the compulsory reserve on the deposit account. Branches of the Bank shall open deposit accounts at SBV's branches in the provinces or cities where the branches are located.

<sup>16</sup> Article 8 and Article 90 Law on Credit Institutions.

<sup>17</sup> Articles 98 to 107, Article 132, Article 140 Law on Credit Institutions.

<sup>18</sup> Article 101 Law on Credit Institutions.

- b. The Bank may open payment accounts at other credit institutions or branches of foreign banks.
- c. The Bank may open overseas deposit and payment accounts according to the regulations on foreign exchange.

**10. *Organizing and participating in payment systems***

- a. The Bank is permitted to organize internal payment system and participate in the national interbank payment system.
- b. The Bank is permitted to participate in the international payment system(s) upon approval of SBV.

**11. *Participation in the monetary markets***

The Bank may participate in bidding Treasury Bills, buying and selling negotiable instruments, government bonds, treasury bills, SBV bills and other valuable papers in the monetary market.

**12. *Trading and providing foreign exchange services and derivatives***

- a. Commercial banks are permitted to conduct business and provide services for domestic and foreign customers with the following products subject to SBV's approval:
  - i. Forex;
  - ii. Derivatives on exchange rates, interest rates, foreign exchange, currency and other financial assets.
- b. The provision of foreign exchange services by the Bank to customers shall comply with the legal regulations on foreign exchange.

**13. *Entrusting and agency operations***

The Bank shall have the right to offer trust, take trust, act as agent in sectors related to banking activities, insurance business and asset management in accordance with SBV's regulations

Making and receiving entrustment in lending according to regulations of SBV

**14. *Real estate business activities***

The Bank is not be permitted to do business in real estate, except for the following cases:

- a. Purchasing, investing in and owning real estates for the purpose of employing the real estates as business premises, working locations or warehouses to directly facilitate the Bank's operations;
- b. Leasing part of unused business premises owned by the Bank;
- c. Holding real estates as a result of foreclosed activities. Within 3 years from the date of foreclosure, the Bank must sell, transfer or acquire the real estate, to make sure the ratio of investment in fixed assets and the purported use of fixed asset in its operations not to exceed 50% of charter capital and capital reserves of the Bank.

**15. *Other business activities of the Bank***



- a. Cash management services, monetary brokerage services, banking and financial consultancy; asset management and custody services, safes for rent.
- b. Consultancy on corporate finance, merger and acquisition, consolidation and investment.
- c. Trading of Government bonds, corporate bonds; trading bonds with the purpose of gaining profits from price differences in accordance with the law and guidance of SBV; purchasing bonds with the purpose of investment in accordance with the law and guidance of SBV.
- d. Debt buying activities.

**Article 6. Capital contribution and purchase of stocks**<sup>19</sup>

1. The Bank is permitted to use its charter capital and reserved funds to contribute capital and purchase stocks in accordance with the provisions of Clauses 2, 3, 4 and 6 of this Article and comply with the limits to ensure safety in the investment and capital contributing activities in accordance with the law.
2. The Bank must establish or acquire subsidiaries, affiliates to carry out the following business activities:
  - a. Underwriting, brokering securities; managing and distributing investment fund certificates; managing securities portfolio and trading stocks;
  - b. Financial leasing;
  - c. Insurance.
3. The Bank is permitted to establish, acquire subsidiaries or affiliates operating in the field of debt management and asset exploitation<sup>19</sup>, overseas remittances, foreign exchange, gold trading, factoring, credit card issuance, consumer credit, payment intermediary services and credit information.
4. The Bank is permitted to contribute capital to, purchase shares from enterprises operating in the following fields:
  - a. Insurance, securities, overseas remittance, foreign exchange, gold trading, factoring, credit card issuance, consumer credit, payment intermediary services, credit information;
  - b. Other areas not specified at point (a) of this Clause.
5. The establishment and acquisition of subsidiaries or affiliates as prescribed in Clauses 2 and 3 of this Article and the contribution of capital, and purchase of shares of the Bank as prescribed in Clause 4 (b) of this Article must be approved in writing by SBV in advance and comply with conditions, procedures and orders in accordance with relevant regulations.
6. The Bank and its subsidiaries are permitted to buy and hold shares of other credit institutions on the conditions and within the limits imposed by SBV.

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<sup>19</sup> Article 103 Law on Credit Institutions and Article 7 Decree 93/2017/NĐ-CP.

7. The Bank is not permitted to contribute capital to or purchase shares of other enterprises or credit institutions who are shareholders of the Bank<sup>20</sup>.

#### **Article 7. Loan approval, monitoring and handling**

1. The Bank shall have the right to request customers to provide documents evidencing their feasible loan using plans, financial capability, lawful loan uses and collaterals before any credit extension decision.
2. The Bank must organize its credit approval in the principle of duty segregation between credit appraisal function and credit approval function.
3. The Bank shall have the right to terminate the provision of credit facilities and collect the debt before maturity date when detecting that the customer has provided untrue information or breached provisions prescribed in the credit facility contract.
4. In case borrowers fail to pay on maturity date, unless otherwise agreed by the relevant parties, the Bank shall have the right to handle the loans, collaterals in accordance with credit contracts, collateral contracts and relevant regulations. The restructuring of loan repayment, loan trading of the Bank shall comply with regulations of SBV.
5. In case borrowers or guarantors fail to honor their loan commitments due to bankruptcy, the process of loan collection of the banks shall be performed in accordance with the regulations on bankruptcy.
6. The Bank shall have the right to decide to grant borrowers exemption from or reduction of interest rates and fees pursuant to internal regulations of the Bank.

#### **Article 8. Ensuring safety**

In the course of operation, the Bank shall comply with the regulations on safe operations specified in Chapter VI of the Law on Credit Institutions and regulations of SBV; perform classification of "Assets" and make provisions for losses as the buffer to risks in banking activities according to prevailing regulations.

### **Chapter 4**

## **CHARTER CAPITAL AND OPERATIONAL CAPITAL**

#### **Article 9. Charter capital<sup>21</sup>**

1. Charter capital is accounted in Vietnam dong (VND).
2. The Bank shall ensure that the actual charter capital level is not lower than the legal capital level prescribed by the law.
3. *Charter capital of the Bank can be raised from the following resources:*
  - a. Reserved fund to supplement charter capital;

<sup>20</sup> Clause 5 Article 129 Law on Credit Institutions.

<sup>21</sup> Article 29 Circular 40/2011/TT-NHNN

- b. Capital surplus fund; retained earnings and other funds as prescribed by law;
- c. Public offering, private placement of shares;
- d. Conversion of convertible bonds to ordinary shares;
- e. Additional capital contributed by shareholders;
- f. Other sources as prescribed by law.

**4. Charter capital shall be used for the following purposes:**

- a. To purchase and invest in fixed assets of the Bank but shall not exceed the ratios prescribed by SBV.
- b. To establish, contribute capital to establish, acquire subsidiaries and affiliates; contribute capital and purchase shares of other enterprises in accordance with the law.
- c. To grant credit to customers.
- d. To provide other services in accordance with the law.

**Article 10. Change in Charter Capital**

- 1. The change in the Bank's charter capital (either increase or decrease), shall be made only when it is passed by the General Meeting of Shareholders and approved in writing by SBV prior to the change in accordance with current law. Written document approving the change in the Bank's charter capital is valid for twelve (12) months since the date of signing. In case where the increase of charter capital has not been completed by the deadline imposed, if the General Meeting of Shareholders approves a change in the plan to increase charter capital, which was approved by SBV, the above document shall be invalid
- 2. The procedures and documents of application for approval for changes in charter capital shall comply with the regulations of SBV.
- 3. Upon completion of the change in charter capital, the Bank shall send a written report to SBV on the results of the change in the charter capital, enclosed with a copy of the new business registration certificate recorded the new charter capital associated with a list of shareholders; at the same time, the Bank shall send the same package of documents to SBV's branches in the provinces or cities where the Bank's business premises are located.
- 4. The Board of Directors of the Bank shall bear legal responsibility regarding appraisals of documents, procedures, conditions to approve capital contributions of shareholders in accordance with SBV's regulations and Charter of the Bank.

**Article 11. The operational funding of the Bank is composed of the following sources<sup>22</sup>:**

**1. Equity:**

- a. Charter capital;
- b. Differences due to asset revaluation, exchange rate differences as prescribed by law;

<sup>22</sup> Article 4 Decree 93/2017/NĐ-CP.

- c. Equity Surplus;
- d. Funds: Reserved fund to supplement charter capital, development and investment fund, financial reserved fund;
- e. Accumulated retained earnings, accumulated unrealized losses;
- f. Other capital owned by the Bank.

**2. Mobilized funds:**

- a. Funds mobilized as deposits of organizations and individuals; funds mobilized through issuances of valuable papers;
- b. Entrusted funds;
- c. Borrowings from domestic and foreign credit institutions and financial institutions;
- d. Borrowings from SBV;

**3. Other sources of funds as prescribed by law.**

**Article 12. Use of assets and capital<sup>23</sup>**

The Bank has the right to proactively change its structure of funds and assets to facilitate the business development.

The mobilization of capital and internal assets of the Bank shall comply with the regulations of the Board of Directors.

**Article 13. Assurance of capital safety<sup>24</sup>**

**1. The Bank shall have to maintain the following prudential ratios:**

- a. Solvency ratio;
  - b. The minimal capital adequacy ratio prescribed by SBV from time to time;
  - c. The maximal rate of short-term capital used for medium and long-term loans;
  - d. Maximal position of foreign currency and gold to equity;
  - e. The ratio of outstanding loan balance to total deposits;
  - f. The ratios of purchase of or investment in Government bonds and in Government guaranteed bonds<sup>25</sup>.
2. The Bank participating in the national interbank payment system shall hold the minimal number of valuable papers permitted to be mortgaged in accordance with regulations of SBV from time to time.
  3. The total capital the Bank invests in other credit institutions or in the Bank's subsidiaries in the form of capital contribution, share purchase and investments in the form of capital contribution and share purchase for the purpose of taking control over banking, insurance

<sup>23</sup> Article 6 Decree 93/2017/NĐ-CP.

<sup>24</sup> Article 130 Law on Credit Institutions.

<sup>25</sup> Clause 23 Article 1 of the Law on amendments and supplements to the Law on Credit Institutions.

and securities companies shall be excluded from the Bank's equity when calculating prudential ratios.

4. Purchase of property insurance for assets which are legally required to be covered by insurance.
5. Participate in deposit insurance and preservation organizations as prescribed by the Law on Credit Institutions, the Law on Deposit Insurance and other relevant regulations and publicize such participation at headquarters and branches<sup>26</sup>.

**Article 14. Application of Early Intervention to the Bank<sup>27</sup>**

1. In following cases the Bank may be subject to early intervention but is not placed under special control as prescribed in Article 82 of this Charter:
  - a. the Bank fails to maintain the solvency ratio prescribed in point (a), Clause 1, Article 13 of this Charter for three (03) consecutive months;
  - b. the Bank fails to maintain the capital adequacy ratio prescribed in point (b), Clause 1, Article 13 of this Charter for six (06) consecutive months;
  - c. the Bank is ranked as below average in accordance with SBV's regulations.

2. The Bank shall, within 30 days after the date of receipt of a letter from SBV applying early intervention, report to SBV on the actual status, reasons for and a plan on remedying the status describing Clause 1 of this Article and organize implementation of such a plan. The Bank shall amend its remedial plan upon a receipt of a written request of SBV.

The period for implementing the remedial plan shall be a maximum of one year from the date of SBV letter on applying early intervention.

3. A remedial plan shall include one or more of the following measures:
  - a. Narrowing operational contents and scope of operation, restricting major transactions;
  - b. Increasing charter capital or issued capital; strengthening the possession of assets with high liquidity; selling or transferring assets and implementing other solutions in order to satisfy the requirements for ensuring safety in the banking operation;
  - c. Restricting payment of dividends, distribution of profit;
  - d. Reducing operational expenses, administrative expenses; restricting payment of remuneration, salaries and bonuses to managers and executives;
  - e. Strengthening risk management; restructuring the management apparatus and reducing staff numbers;
  - f. Other measures as provided by law.

## **Chapter 5**

<sup>26</sup> Clauses 3, 4 Article 8 Decree 93/2017/NĐ-CP

<sup>27</sup> Clause 25 Article 1 of the Law on amendments and supplements to the Law on Credit Institutions

## **SHARES, STOCKS, SHAREHOLDERS, MAJOR SHAREHOLDERS AND FOUNDING SHAREHOLDERS**

### **Article 15. Current charter capital, shares and shareholders of the Bank**

1. The current charter capital of the Bank is VND 16,088,488,180,000 (Sixteen thousand and eighty eight billion four hundred and eighty eight million one hundred and eighty thousand dong).
2. The charter capital of the Bank is divided into a number of shares, of which each share has a par value of VND10,000 (ten thousand Vietnamese dong).
3. The Bank may change its charter capital when the change is passed by the General Meeting of Shareholders and approved by SBV in accordance with the law.
4. The Bank's shares are ordinary shares. The rights and obligations arising from the shares are prescribed in Article 23 and Article 24 of the Charter.
5. The Bank may issue other types of shares upon obtaining approval of the General Meeting of Shareholders complying with the law.
6. The Bank may repurchase its issued shares in accordance with prevailing laws. The Bank's repurchase of its own shares shall be approved in writing by SBV prior to the execution if the repurchase results in a reduction in the Bank's charter capital.
7. The Bank may issue other types of securities upon obtaining approval of authorities and the General Meeting of Shareholders or the Board of Directors in writing, in accordance with provisions of the Law on securities and securities market and provisions of this Charter.
8. The Bank must have minimum of 100 shareholders (excluding professional securities investors) and unlimited maximum number of shareholders, exceptional case when the Bank is under special control and is currently implementing a plan on compulsory transfer as prescribed in Chapter 20 of this Charter and item 1đ Chapter VIII of the Law on Credit Institutions (as amended and supplemented).<sup>28</sup>.

### **Article 16. Shareholding limits**

1. An individual shareholder shall not be allowed to hold a number of shares exceeding 5% of the Bank's charter capital<sup>29</sup>.
2. An institutional shareholder shall not be allowed to hold a number of shares exceeding 15% of the Bank's charter capital, except for the following cases<sup>30</sup> :
  - a. The Bank is under special control in accordance with the restructuring plan approved by the authorized level;

<sup>28</sup> Clause 12 Article 1 of the Law on amendments and supplements to the Law on Credit Institutions.

<sup>29</sup> Clause 1, Article 55 Law on Credit Institutions.

<sup>30</sup> Clause 2, Article 55 Law on Credit Institutions, Clause 14 Article 1 of the Law on amendments and supplements to the Law on Credit Institutions.

- b. Ownership of shares by the Bank in its subsidiary company or affiliated company as prescribed in Clause 2 and Clause 3 of Article 6 of this Charter;
- c. Ownership of shares by foreign investors as prescribed by the law<sup>31</sup>.
3. Shareholders and related persons of such shareholder are entitled to hold up to 20% of the Bank's charter capital, except in the cases as prescribed by Clause 2 of this Article. A major shareholder of the Bank and related persons of such shareholder is only permitted to own less than 5% of the charter capital of any other credit institution.
4. The shareholding ratio prescribed in Clauses 1, 2 and 3 of this Article shall include the capital entrusted to other organizations and individuals to purchase shares.
5. In cases where organizations or individuals hold convertible bonds (if any), converting bonds into shares shall comply with the shareholding limit in this Article.
6. The maximum shareholding percentage of foreign investors in the Bank is ..... This rate can be adjusted by the decision of the General Meeting of Shareholders in compliance with the provisions of relevant laws<sup>32</sup>.

#### **Article 17. Shares**

1. *Shares of the Bank shall contain the following information:*<sup>33</sup>
  - a. Name, business code, address of the headquarters of the Bank;
  - b. Number and date of issuance of Establishment and Operation License;
  - c. Number of shares and types of shares;
  - d. The par value of each share and the total par value of shares inscribed on the share certificate;
  - e. Full name, contact address, nationality, serial number legal paper of the individual in case of individual shareholder; the name, enterprise code or serial number of legal paper of the organization, and address of the head office of the institutional shareholder for the registered share certificate;
  - f. Sample signature of legal representative and seal of the Bank;
  - g. Registered number in the register of shareholders book and the date of share issuance.
  - h. Others (if any).
2. Each shareholder will be provided with a share certificate according to the type of share to record the capital contribution. Shares of members of the Board of Directors, members of the Board of Supervisory, major shareholders, founding shareholders and foreign shareholders shall be issued in the form of registered share certificates.
3. Each issued share shall not be recorded multiple types of shares.
4. According to the provisions of this Charter, any person whose name is recorded in the

<sup>31</sup> Article 7 Decree 01/2014/NĐ-CP.

<sup>32</sup> Point e Clause 1 Article 139 Law on Securities.

<sup>33</sup> Article 121 Enterprise Law 2021.

- Register of Shareholders for any types of shares shall be granted a certificate for free after purchasing or acquiring the shares transfer within thirty (30) days (or longer as prescribed by issuance regulations or by the Board of Directors regarding share transfer). Shares owned by members of the Board of Directors, members of Supervisory Board, major shareholders, founding shareholders and foreign shareholders must be registered.
5. In case of transferring only part of registered shares of a share certificate, the old share [certificate] will be abolished and a new stock certificate recording the number of transferred shares and the remaining shares will be issued for free.
  6. The Bank can manage share certificates on behalf of shareholders or grant share certificates on request of shareholders. If a share certificate is lost, burnt or otherwise destroyed, shareholder shall immediately report to the Bank and request to reissue the certificate and pay the fee as prescribed by the Bank.
  7. The Bank's share certificates shall not be used to pledge at the Bank who has issued the shares in accordance with the law.
  8. In case the shares are issued in the form of certificates, the Bank must issue share certificates to shareholders within thirty (30) days from the date shareholders fully pay for the shares as committed to the Bank<sup>34</sup>.
  9. The contents related to shares shall comply with the provisions of Article 121 of the Enterprise Law and this Charter.

**Article 18. Offer for sale and transfer of shares**

1. The additional ordinary shares issued for the purpose of raising capital shall be prioritized to offer to existing shareholders pro rata to their shareholding at the Bank, except for otherwise decisions made by the General Meeting of Shareholders. The number of shares not subscribed by the shareholders will be decided by the Board of Directors. The Board of Director may distribute such unsubscribed shares to other individuals and organizations under the conditions and in the manners the Board of Directors considers appropriate, provided that the conditions of such distribution are not more favorable than those offered to existing shareholders, except for shares sold through the Stock Exchange by auction.
2. All shares are freely transferred unless otherwise prescribed in this Charter and Law. Shares listed and registered on the Stock Exchange are transferred in accordance with the legal regulations on securities and securities market.
3. Shares that have not been paid in full are not transferable and are not entitled to enjoy relevant rights, such as the right to receive dividends, the right to receive shares issued to increase share capital from owners' equity, the right to buy new shares offered and other benefits as prescribed by law.
4. The following cases of share transfer shall be approved in writing by the Governor of SBV before execution:

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<sup>34</sup> Article 58 Law on Credit Institutions.



- a. Trading of shares of major shareholders;
  - b. The trading of shares which leads to the reposition of major shareholders to ordinary shareholders and vice versa.
5. The transfer of shares shall be conducted in accordance with prevailing regulations. The form of transfer is established in writing as specifically regulated by the Board of Directors. The transfer document is signed by the transferor, the transferee or their respective authorized representatives. Shares are considered transferred when they are fully paid for and the information of purchaser specified in Clause 2, Article 22 of this Charter is fully recorded in the register of shareholders; from that point onwards, the transferee is recognized as a shareholder of the Bank. The registration of change of shareholders in the register of shareholders at the request of related shareholders is to be done within twenty-four (24) hours of receiving the request<sup>35</sup>.
6. The procedures of application for change of registered shares shall comply with the regulations.
7. Where a shareholder dies, the settlement of his rights and obligations shall comply with legal provisions on inheritance.
8. In case an institutional shareholder is dissolved, bankrupted, split, consolidated, merged or otherwise prescribed by law and accordingly ceases its legal existence, the rights and obligations of such shareholder or organization shall comply with the relevant regulations.
9. The Bank must comply with the regulations on listing and issuing stocks at the Stock Exchange in accordance with the regulations of SBV, the State Securities Commission, the Bank's Charter and relevant prevailing regulations.
10. Individual shareholders, institutional shareholders whose representatives are members of the Board of Directors, members of the Supervisory Board, Chief Executive Officer shall not be permitted to transfer their shares during their tenure <sup>36</sup>.
11. During the time of resolving the consequences caused by individual Board Member, Supervisory Board and Chief Executive Officer in accordance with resolutions of the General Meeting of Shareholders or as stipulated by SBV, the member is not permitted to transfer shares unless the member is:
- a. an authorized representative of a shareholder who is a merged, consolidated, split, dissolved, or bankrupted organization in accordance with the law;
  - b. forced to transfer shares in accordance with a court verdict;
  - c. the member who transfers/assigns shares to other investors in order to carry out the restructuring plan approved by the competent authority.<sup>37</sup>.

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<sup>35</sup> Clause 7 Article 127 Enterprise Law 2020.

<sup>36</sup> Clause 1 Article 56 Law on Credit Institutions.

<sup>37</sup> Clause 2 Article 56 Law on Credit Institutions, Clause 15 Article 1 of the Law on amendments and supplements to the Law on Credit Institutions.

12. The shares transfer of founding shareholders who contributed their capital to establish the Bank shall be performed in accordance with regulations of SBV.
13. The offer for sale of shares, transfer of shares, and repurchase of shares shall be performed in accordance with the Law on Credit Institutions, the Enterprise Law, the Law on Securities and this Charter.

**Article 19. Forfeiture of shares<sup>38</sup>**

1. Where a shareholder fails to pay in full and on time the amount payable to purchase shares, the Board of Directors shall notify and have the right to request such shareholder to pay the unpaid amount and to be liable in proportion to the total par value of subscribed shares for financial obligations of the Bank arising from the failure to pay in full.
2. The above notification of payment must specify the new time-limit for payment (at least seven (07) days from the date on which the notification is sent) and place for payment, and must clearly state that in the case of failure to pay in full the unpaid amount as required, the number of unpaid shares shall be forfeited.
3. The Board of Directors shall have the right to forfeit the number of shares which have not been paid in full and on time if the requirements in the above notification are not fulfilled properly.
4. Forfeited Shares shall be regarded as shares to be offered as prescribed in Clause 3, Article 112 of the Enterprise Law. The Board of Directors may directly make or authorize the sale or re-distribution of such shares on the conditions and in the manner the Board of Directors considers appropriate.
5. Shareholders of forfeited shares shall be required to waive their shareholders status with respect to such shares, but shall be to be liable in proportion to the total par value of subscribed shares for financial obligations of the Bank arising on the date of forfeiture in accordance with the decision of the Boards of Directors from the date of forfeiture till the date of payment. The Board of Directors shall have full power to coerce the shareholders into payment of all payables related to the shares at the date of forfeiture.
6. A notification of the forfeiture shall be sent to the holders of the shares which are to be forfeited prior to the time of forfeiture. The forfeiture shall remain valid even if there is a mistake or carelessness during the course of sending the notification.

**Article 20. Issuance of bonds<sup>39</sup> and other securities certificates**

The Bank shall have the right to issue bonds, convertible bonds, warrant-linked bonds and other types of bonds in accordance with the law and the Bank's Charter.

Issuing bond certificates or other securities certificates shall bear the signature of legal representative and seal of the Bank<sup>40</sup>

<sup>38</sup> Article 10 Template of Charter, Annex 01 of Circular 116/2020/TT-BTC.

<sup>39</sup> Decree 153/2020/ND-CP, Circular 34/2013/TT-NHNN.

<sup>40</sup> Article 8 Template of Charter, Annex 01 of Circular 116/2020/TT-BTC.

## **Chapter 6**

### **ORGANIZATIONAL AND MANAGERIAL STRUCTURE**

#### **Article 21. Organizational and managerial structure, administration and control**<sup>41</sup>

1. The organizational and managerial structure of the Bank is composed of:
  - a. The General Meeting of Shareholders;
  - b. The Board of Directors;
  - c. The Supervisory Board;
  - d. The Chief Executive Officer;
  - e. Execution Unit.
2. The Board of Directors shall specify the structure, functions and tasks of the managerial and executive units and manage properly in accordance with the regulations and the scale of business operations of the Bank.

The Supervisory Board shall specify the structure, functions and tasks of the internal audit mechanism in accordance with the regulations and the scale of business operations of the Bank.

## **Chapter 7**

### **SHAREHOLDERS AND GENERAL MEETING OF SHAREHOLDERS**

#### **Article 22. Register of shareholders**<sup>42</sup>

1. The Bank shall establish and maintain a register of shareholders from the date of issuance of the enterprise registration certificate. The register of shareholders can be in the form of either hard copy or soft copy recording the information of the ownership of shares of the shareholders of the Bank.
2. *A register of shareholders shall contain the following information:*
  - a. Name, business code and address of the headquarters of the Bank;
  - b. Total number of shares entitled to be offered, types of shares entitled to be offered and number of shares entitled to be offered of each type;
  - c. Total number of shares sold of each type and value of contributed capital;
  - d. Full name, contact address, nationality, legal paper of individual for individual shareholders; name, legal paper of organization, address of the head office for institutional shareholders;
  - e. The number of shares of each types of each shareholder and the date of registration.

<sup>41</sup> Article 11 Template of Charter, Annex 01 of Circular 116/2020/TT-BTC.

<sup>42</sup> Article 122 Enterprise Law 2020.

3. The register of shareholders shall be stored at the headquarters of the Bank or other organizations entitled to do so. Shareholders have the right to access to the register of shareholders to review, search, extract and copy the names and contact addresses of shareholders in the register of shareholders.
4. In case of change of contact address, the shareholders must promptly notify the Bank to update it in the register of shareholders. The Bank is not responsible for the failure to contact shareholders due to the failure to notify the change of shareholder contact address.
5. The Bank shall promptly update the change of shareholders in the register of shareholders at the request of related shareholders in accordance with this Charter.
6. ***Establish the list of shareholders:***
  - a. The Bank shall specify the time of establishing the list of shareholders entitled to the rights of shareholders and ensure shareholders have sufficient time to make adjustments regarding their personal information and their number of shares owned at the Bank before the list of shareholders is established;
  - b. Transactions of share transfer incurring after the date of closing shareholder list to the date of executing shareholder rights, beneficiary of the shareholder rights shall fall into the transferor of the transactions.

**Article 23. Rights of Shareholders<sup>43</sup>**

***1. Ordinary shareholders shall have the following rights:***

- a. The rights prescribed in *Article 53 of the Law on Credit Institutions*, specifically as follows:
  - i. to participate, speak and vote directly or indirectly through its authorized representative(s) in the General Meeting of Shareholders; each ordinary share carries a vote;
  - ii. to receive dividends at the amount determined by the General Meeting of Shareholders;
  - iii. to freely transfer their shares which have been paid in full to any other shareholders or to other individual and organizations or to the Bank in accordance with the Law and this Charter;
  - iv. to be prioritized to purchase the newly offered shares in proportion to their shareholding in the Bank;
  - v. to have access to the list of voting shareholders for review, reference, and extract of information of name and contact address therefrom and request correction of any inaccuracy therein;
  - vi. to have approach to the information of list of shareholders entitled to attend the General Meeting of Shareholders;

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<sup>43</sup> Article 53 Law on Credit Institutions, Article 115 Enterprise Law 2020.

- vii. to have access to the Bank's Charter, minutes book of General Meetings of Shareholders and resolutions of General Meetings of Shareholders for review, reference, extract or duplication thereof;
  - viii. upon dissolution or bankruptcy of the Bank, to be distributed part of the remaining assets of the Bank pro rata to their holding in the Bank, after the Bank has fulfilled all payment obligations (including payments to the State, taxes and duties) to its creditors and shareholders holding shares of other types in the Bank in accordance with the law;
  - ix. to authorize in writing other persons to exercise their rights and obligations; the authorized person is allowed to authorize another person in writing if agreed by the shareholders; the authorized person is not allowed to self-nominate;
  - x. to nominate or recommend candidates to the Board of Directors or the Supervisory Board in accordance with this Charter;
  - xi. other rights as prescribed by law and this Charter.
- b. A shareholder or group of shareholders, who holds more than 05% of overall ordinary shares, shall have the rights as prescribed in *Clauses 2 and 3 of Article 115 of the Enterprise Law*, as follows:
- i. To have access to the meeting minutes and resolutions or decisions of the Board of Directors, the Bank's mid-year financial statements and annual financial statements, reports of the Supervisory Board, contracts or transactions subject to approval of the Board of Directors and other documents, except for those related to trade secrets or business secrets of the Bank, for review, reference and extract thereof;
  - ii. To request the Supervisory Board to examine each specific issue related to management and operation of the Bank when necessary. The request must be made in writing and specify full name, contact address, nationality, and legal paper of an individual for individual shareholders; name, enterprise code or serial number of legal paper of organization, head office address for institutional shareholders; number of shares held by each shareholder and time of shareholder registration; total number of shares of the group of shareholders and its holding ratio; issues to be examined and objectives of the inspection;
  - iii. other rights as prescribed by law and this Charter.
- c. A shareholder or a group of shareholders holding at least 10% of total ordinary shares, may nominate candidates to the Board of Directors and Supervisory Board. The nomination of candidates to the Board of Directors and the Control Board shall be conducted in accordance with *Clause 5, Article 115 of Enterprise Law*, but the list of candidates must be sent to the Board of Directors by the time provided by the Board of Directors:
- i. Ordinary shareholders that form a group satisfying the conditions prescribed for nominating candidates to the Board of Directors and Supervisory Board shall notify

- the group formation to attending shareholders before the opening of the General Meeting of Shareholders;
- ii. Based on the numbers of members of the Board of Directors and Supervisory Board, shareholders or group of shareholders owning more than 10% (ten percent) of the total number of ordinary shares may nominate one or more than one candidate to the Board of Directors and Supervisory Board as decided by the General Meeting of Shareholders.
  - iii. If the number of candidates nominated by shareholders or group of shareholders is smaller than the number of candidates they are entitled to nominate as decided by the General Meeting of Shareholders, the remaining candidates shall be nominated by the Board of Directors, Supervisory Board and other shareholders.
- d. A shareholder or group of shareholders owning more than 10% (ten percent) of the total number of ordinary shares for a consecutive period of at least six (06) months has the right to request convening an extraordinary General Meeting of Shareholders according to regulations stated under Clause 4, Article 25 of this Charter.
2. Shareholders owning voting preference shares (if any) shall have the rights prescribed in *Clause 2, Article 116 of the Enterprise Law*.
  3. Shareholders owning dividend preference shares (if any) shall have the rights prescribed in *Clause 2, Article 117 of the Enterprise Law*.

**Article 24. Obligations of shareholders<sup>44</sup>**

1. Shareholders of the Bank must perform the following obligations:
  - a. To pay in full for shares for which the shareholder has committed to subscribe within the timeframe prescribed by the Bank and be responsible for liabilities and other asset obligations of the Bank to the extent of the capital contributed to the Bank;
  - b. Not to withdraw the contributed share capital from the Bank in any form, except where the shares are repurchased by the Bank or other person. If a shareholder withdraws part or all of the contributed share capital contrary to the provisions of this Clause, such shareholder and the person with related interests in the Bank must be jointly responsible for the debts and other asset obligations of the Bank to the extent of the shares having been withdrawn and of damages incurred;
  - c. To be legally liable for the lawfulness of the source of capital contributed to or used to purchase shares or used to acquire a transfer of shares in the Bank; not to use capital sources from credit extended by the Bank for the purpose of purchasing or receiving a transfer of shares in the Bank; and not to contribute capital to or to purchase shares in the Bank in the name of another individual or legal entity in any form, except in a case of entrustment in accordance with the law<sup>45</sup>;

<sup>44</sup> Article 54 Law on Credit Institutions, Article 119 Enterprise Law 2020 and Article 13, Template of Charter, Annex 01 Circular 116/2020/TT-BTC.

<sup>45</sup> Clause 13 Article 1 of Law on amendment and supplementation to Law on Credit Institutions.

- d. To comply with the Charter and internal regulations of the Bank;
  - e. To attend the meeting of the General Meeting of Shareholders and exercise the voting right in the following forms:
    - i. Attending and voting directly at the meeting;
    - ii. Authorizing others to attend and vote at the meeting;
    - iii. Attending and voting through online meetings, electronic voting or other electronic forms;
    - iv. Sending votes to the meeting by mail, fax, or email;
    - v. Sending votes by other means in accordance with the legal regulations.
  - f. To comply with resolutions and decisions of the General Meeting of Shareholders and the Board of Directors;
  - g. To provide correct address when subscribing for shares;
  - h. To fulfill other obligations in accordance with current law and this Charter.
  - i. Ordinary shareholders shall be personally liable when acting on behalf of the Bank in any form to commit a breach of law, conduct business and other transactions for personal interests, or for interests of other individuals or organizations and pay for undue debts which may entail financial risks to the Bank.
  - j. To keep confidential the information provided by the Bank in accordance with this Charter and the law; to only use the information provided to exercise and protect its legitimate rights and interests; It is strictly forbidden to distribute or copy or send information provided by the Bank to other organizations or individuals.
2. Shareholders entrusted by other individuals, organizations when investing in the Bank shall inform the Bank about actual owners of the shares entrusted. Upon failure to disclose information or disclosing of wrong information of the actual owners, and upon discovery of the actual owners by the Bank, the Bank shall have the right to suspend shareholder's rights related to the amount of undisclosed/wrongly disclosed shares.
  3. Other obligations as prescribed by the law.

**Article 25. The General Meeting of Shareholders and the authority to convene the General Meeting of Shareholders<sup>46</sup>**

1. Annual General Meeting of Shareholders or Extraordinary General Meetings shall be held at least once every year. The venue of the General Meeting of Shareholders is determined to be where the chairman attends the meeting and must be in the territory of Vietnam. The annual General Meeting of Shareholders shall be held within (04) four months since the closing date of the fiscal year. At the discretion of the Board of Directors, the annual General Meeting of Shareholders may be rescheduled but not later than six (06) months from the closing date of a fiscal year.

<sup>46</sup> Article 54 Law on Credit Institutions, Article 139 and 140 Enterprise Law 2020 and Article 14, Template of Charter, Annex 01 Circular 116/2020/TT-BTC.

2. The Board of Directors convenes the Annual General Meeting of Shareholders and selects the appropriate venue. The Annual General Meeting of Shareholders makes decisions within the extent permitted by the regulations and the Charter of the Bank, especially approves audited annual financial statements. In case auditor's report contains important qualified opinions, adverse opinions or disclaimers of opinion, the Bank must invite representatives of the independent auditing firms, who is approved to audit the financial statement of the Bank, to attend the Annual General Meeting of Shareholders and such representative of the above approved auditing firm is bound to attend the Annual General Meeting of Shareholders of the Bank.
3. The Annual General Meeting of Shareholders discusses and approves the following issues:
  - a. Annual audited financial statements; plan of profit distribution;
  - b. Report of the Board of Directors assessing the current business management at the Bank;
  - c. Report of the Supervisory Board on the management of Board of Directors, Director or Chief Executive Officer;
  - d. Report on self-assessment of operation results of the Supervisory Board and members of the Supervisory Board;
  - e. Dividend rates for each class of share; the annual dividend payment for each class of shares shall be in accordance with the Enterprise Law and the rights attached to such class of shares. This dividend rates shall not be higher than that proposed by the Board of Directors after consulting shareholders at the General Meeting of Shareholders;
  - f. Other issues within the jurisdiction.
4. ***The Board of Directors must convene an Extraordinary Meeting of the General Meeting of Shareholders in the following cases:***
  - a. The Board of Directors deems it necessary for the interest of the Bank;
  - b. The current number of members of the Supervisory Board and of the Board of Directors is below the minimum number prescribed by the law, including cases of non-compliance on the number of independent members, minimum non-management members of the Bank as required by the Law on Credit Institutions;
  - c. The number of members of the Board of Directors is reduced by more than one third (1/3) compared to the number of members prescribed in this Charter and/or the members of the Board of Directors have been approved by the General Meeting of Shareholders;
  - d. At the request of shareholders or a group of shareholders owning more than 10% (ten percent) of ordinary shares for at least six (06) consecutive months except for the case of convening a meeting as prescribed at Point b, Clause 1, Article 23 of this Charter; The request for convening the General Meeting of Shareholders must be made in writing, clearly stating the reason and purpose of the meeting, bearing the signatures of the related shareholders or must be written in a number of copies, which gathers all signatures of the related shareholders;
  - e. At the request of the Supervisory Board;



- f. At the request of SBV<sup>47</sup>;
  - g. Other cases as prescribed by the laws.
5. The Board of Directors must convene the General Meeting of Shareholders within thirty (30) days from the date on which the number of members of the Board of Directors, independent members of the Board of Directors or remaining members of the Supervisory Board fall into cases as specified at Points (b), Clause 4 of this Article or the request prescribed at points c and d, Clause 4 of this Article is received.

If the Board of Directors fails to convene the General Meeting of Shareholders as prescribed, the Chairman of the Board of Directors shall bear the legal responsibility and shall have to compensate for damages incurred to the Bank.

6. If the Board of Directors fails to convene the General Meeting of Shareholders in accordance with Clause 5 of this Article, within the next thirty (30) days, the Supervisory Board shall convene the meeting General Meeting of Shareholders instead of Board of Directors in accordance with Clause 3 of Article 140 of the Enterprise Law and this Charter. If the Supervisory Board fails to convene the General Meeting of Shareholders as prescribed, the Chief Supervisor shall bear the legal responsibility and shall have to compensate for damages incurred to the Bank.
7. Where the Supervisory Board fails to convene the General Meeting of Shareholders in accordance with Clause 6 of this Article, shareholders or a group of shareholders owning more than 10% (ten percent) of ordinary shares for at least six (6) consecutive months and having filed request to convene the General Meeting of Shareholders have the rights to convene the General Meeting of Shareholders on behalf of the Bank in accordance with provisions of Clause 4 of Article 140 of the Enterprise Law and this Charter. In this case, the shareholder or group of shareholders, who convene the General Meeting of Shareholders, may request the business registration authority to supervise the sequence and procedure for convening, conducting meetings and issuing decisions of the General Meeting of Shareholders.
8. The convener of the General Meeting of Shareholders shall perform the acts as prescribed under Point a Clause 1 Article 30 of this Charter.
9. All expenses incurred for convening and conducting the General Meeting of Shareholders in accordance with Clauses 5, 6 and 7 of this Article shall be reimbursed by the Bank. Such expense shall not include expenses paid by shareholders when attending General Meeting of Shareholders, including accommodation and travel expenses.

**Article 26. List of shareholders entitled to attend the General Meeting of Shareholders<sup>48</sup>**

1. The list of shareholders entitled to attend the General Meeting of Shareholders is formed based on the Register of shareholders of the Bank. The list of shareholders entitled to attend

<sup>47</sup> Article 60 Law on Credit Institutions.

<sup>48</sup> Article 141 Enterprise Law 2020.

the General Meeting of Shareholders is compiled no earlier than 10 days prior to the date of sending invitations to attend the General Meeting of Shareholders.

2. The list of shareholders entitled to attend the General Meeting of Shareholders must include the full name, contact address, nationality, number of legal paper of individual for individual shareholders; the name, enterprise code, legal paper of organization, address of the head office for institutional shareholders; number of shares of each type, number and date of shareholder registration of each shareholder.
3. Shareholders shall have the right to review, search, extract and copy names and contact addresses in the list of shareholders entitled to attend the General Meeting of Shareholders; request to amend incorrect information or add necessary information regarding their personal information in the list of shareholders entitled to attend the General Meeting of Shareholders.

**Article 27. Rights and duties of the General Meeting of Shareholders**

1. The General Meeting of Shareholders consists of all shareholders with voting rights and is the highest decision-making authority of the Bank.
2. Institutional shareholders have the right to appoint one or several authorized representatives to exercise his/her shareholder rights in accordance with the laws. An institutional shareholder of a joint stock company owning at least 10% of the total number of ordinary shares can authorize up to three (03) authorized representatives. If more than one authorized representative is appointed, the specific number of shares and number of votes of each representative must be specified. The appointment, termination or change of the authorized representative must be notified in writing to the Bank in the shortest time. The notice must basically contain the followings:
  - a. Name, enterprise code and head office address of the shareholder;
  - b. Number of shares, type of shares and date of shareholder registration at the Bank;
  - c. Full name, contact address, nationality, serial number of legal paper of individual of every authorized representative;
  - d. Number of shares authorized to represent and the percentage of shares to be represented by each authorized representative;
  - e. The duration of authorized representation of each persons stating clearly the commencement date of the authorization;
  - f. Full name and signature of the authorized representative and legal representative of the shareholder;

Within five (5) working days from the date of receipt of the notice, the Bank must send a notice on the authorized representatives stipulated in this clause to the business registration authority.

3. *The General Meeting of Shareholders shall have the following rights and duties*<sup>49</sup>:

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<sup>49</sup> Clause 2 Article 59 Law on Credit Institutions, Clause 2 Article 138 Enterprise Law 2020.

- a. To approve the Bank's development strategy;
- b. To amend and supplement the Charter of the Bank;
- c. To approve the internal administrative regulations, regulations on organization and operation of the Board of Directors and the Supervisory Board;
- d. To decide the number of members of the Board of Directors, the Supervisory Board in each term of office; To elect, dismiss, remove, supplement or replace members of the Board of Directors and members of the Supervisory Board in accordance with the regulations and the Bank's Charter;
- e. To decide on the total of remuneration, bonuses and other benefits for members of the Board of Directors, members of the Supervisory Board and the operating budget of the Board of Directors and the Supervisory Board;
- f. Within scope of authority, to consider and deal with violations of the Board of Directors and the Supervisory Board causing damages to the Bank and to shareholders of the Bank;
- g. To decide on the organizational structure and the managerial apparatus of the Bank;
- h. To approve the plan of change in charter capital; approve plan of share to be offered for sale, including the classes of shares and the number of new shares to be offered for sale;
- i. To approve the redemption of shares already sold;
- j. To approve the plan on the issuance of convertible bonds;
- k. To approve of annual financial statements; plan for the distribution of profits after fulfilling the tax obligations and other financial obligations of the Bank;
- l. To approve the reports of the Board of Directors and the Supervisory Board on the performance of assigned tasks and authorities;
- m. To decide on the establishment of subsidiaries;
- n. To approve the plan of capital contribution to and purchase of shares from enterprises or other credit institutions valued at 20% or more of the Bank's charter capital as stated in the most recent audited financial statements;
- o. To make decisions on investment in, purchase, sale of assets of the Bank with a value of 20% or more of the Bank's charter capital stated as recorded in the most recent audited financial statements;
- p. To approve the contracts valued at above 20% of the Bank's charter capital as recorded in the most recent audited financial statements between the Bank and members of the Board of Directors, members of the Supervisory Board, major shareholders, related persons of the management officers, members of the Supervisory Board, major shareholders of the Bank; subsidiaries, affiliates of the Bank;
- q. To decide on the division, separation, consolidation, merger, conversion of legal form, restructuring and dissolution (liquidation and appointment of liquidator) of the Bank or request the Court to open bankruptcy procedures for the Bank;
- r. To decide solution to overcome major financial fluctuations confronting the Bank;

- s. To appoint an independent auditor or approve a list of independent auditing firms and to authorize the Board of Directors to choose one of these entities to audit the Bank's financial statements the next fiscal year based on the terms and conditions agreed with the Board of Directors, to dismiss the independent auditor when it deems necessary;
  - t. Other issues in accordance with the Law and this Charter.
4. Shareholders are not allowed to participate in voting in the following cases:
- a. Contracts specified at point p, Clause 3 of this Article when the shareholder or related persons of the shareholder is a party to the contracts;
  - b. The purchase of shares of the shareholder or of the related person of the shareholder, except for the acquisition of shares made pro rata to the shareholding ratio of all shareholders or the acquisition is made on the Stock Exchange by order matching or public bids in accordance with the law.
5. The Annual General Meeting of Shareholders shall discuss and approve at least the issues prescribed in Points k and l, Clause 3 of this Article and other matters within its authority as prescribed in this Charter.

**Article 28. Right to attend the General Meeting of Shareholders**

1. Shareholder and authorized representative of an institutional shareholder who have the right to attend the General Meeting of Shareholders in accordance with the law may authorize in writing other individuals or organizations to attend the meeting in the ways as prescribed under Point (e) Article 24 of this Charter.
2. The authorization to an individual or organization to attend the General Meeting of Shareholders must be made in writing in accordance with the provisions of civil law and in the form prescribed by the Bank and must state name of the principal shareholder, name of the authorized person or organization, number of authorized shares, contents of authorization, scope of authorization, duration of authorization and have the signature in accordance with the following provisions:
  - a. In case the principal is an individual shareholder, the authorization letter must have signatures of both the shareholder and the person authorized to attend the meeting;
  - b. In case the principal is an institutional shareholder, the authorization letter must have signatures of the legal representative or authorized representative of the institutional shareholder and signatures of individual or the legal representative of the organization authorized to attend the meeting;

In other cases, authorization must have signature of the legal representative of the shareholder and the person authorized to attend the meeting;

Persons authorized to attend the General Meeting of Shareholders must submit authorization letter upon registration of attendance before entering the meeting room. In case of re-authorization, attendees must present the original authorization letter of the shareholder, or the authorized representative of institutional shareholder (if it has not been registered with the Bank before).

3. The voting slip of the person authorized to attend the meeting within the scope of his/her authorization shall remain effective in one of the following cases:
  - a. The principal dies, or his/her capacity for civil acts is lost or is restricted;
  - b. The principal has canceled the authorization;
  - c. The principal has revoked the authority of the person performing the authorization
4. The provisions of Clause 3 of this Article shall not apply if the Bank receives a written notice of one of the cases specified in Clause 3 of this Article before the General Meeting of Shareholders opens or before the meeting is re-convened<sup>50</sup>.

**Article 29. Passing of resolutions of the General Meeting of Shareholders**

1. The General Meeting of Shareholders shall pass Resolutions which fall within its power by voting in the meeting or collecting written opinions.
2. Resolutions of the General Meeting of Shareholders passed by 100% of total voting shares are legal and effective even if the order and procedures for convening and passing such resolutions are not properly implemented in accordance with the provisions of Enterprise Law and this Charter<sup>51</sup>.
3. Resolutions of the General Meeting of Shareholders must be notified to shareholders entitled to attend the General Meeting of Shareholders within fifteen (15) days from the date of approval or published on the website of the Bank.
4. Decisions of the General Meeting of Shareholders on the matters prescribed in Points a, d, f and q Clause 3 of Article 27 of this Charter must be passed by voting at the General Meeting of Shareholders.
5. Decisions of the General Meeting of Shareholders shall be passed at the meeting when the following conditions are met<sup>52</sup>:
  - a. Except for the case specified at point b and c of this Clause, decision of the General Meeting of Shareholders shall be passed at the meeting when it is approved by shareholders representing more than 51% of the total voting share of all attending shareholders.
  - b. Decisions on matters prescribed at Points b, h, o and q, Clause 3, Article 27 of this Charter shall be passed in the meeting if it is voted for by shareholders representing over 65% of the total voting shares of all attending shareholders.
6. A decision of the General Meeting of Shareholders that contains unfavorable changes to rights or obligations of preference shareholders may only be adopted if it is voted for by the attending shareholders owning preference shares of the same type and representing 75% or more of the total number of preference shares of that type, The vote on the election of the members of the Board of Directors and the Supervisory Board must be conducted by

<sup>50</sup> Article 16, Template of Charter, Annex 01 Circular 116/2020/TT-BTC.

<sup>51</sup> Clause 2 Article 152 Enterprise Law 2020.

<sup>52</sup> Clause 3 Article 59 Law on Credit Institutions, Clause 6 Article 148 Enterprise Law 2020.

cumulative voting method whereby each shareholder has the total number of votes equal to the total number of shares multiplied by the number of members to be elected to the Board of Directors or the Supervisory Board and shareholders have the right to spend all of their votes for one or several candidates. The elected member of the Board of Directors or the Supervisory Board is determined by the number of votes from high to low, starting from the candidate with the highest number of votes until the number of members reaches sufficient figure as specified in this Charter. In case there are two (02) or more candidates with the same number of votes for the last seat of the Board of Directors or the Supervisory Board, re-election will be conducted among the candidates with the same number of votes or selection shall be dealt with according to the criteria specified in the election regulations or this Charter.

7. The authority and procedures to collect shareholders' opinions in writing to pass decisions of the General Meeting of Shareholders shall be implemented in accordance with the provisions of Article 32 of this Charter. Where a resolution is passed by collecting written opinions, a decision of the General Meeting of Shareholders shall be passed when it is approved by a number of shareholders representing at least fifty percent (50%) of the total votes of all shareholders with voting rights.<sup>53</sup>

A decision of the General Meeting of Shareholders that contains unfavorable changes to rights or obligations of preference shareholders may only be adopted if it is voted for by the attending shareholders owning preference shares of the same type and representing 75% or more of the total number of preference shares of that type.

**Article 30. Agenda and contents of the General Meeting of Shareholders, meeting invitation to the General Meeting of Shareholders<sup>54</sup>**

***1. Agenda and contents of the General Meeting of Shareholders:***

- a. The convener of the General Meeting of Shareholders must prepare the agenda, contents and documents of the meeting, including:
  - i. List of shareholders entitled to participate and vote at the General Meeting of Shareholders.
  - ii. Provision of information and settlement of complaint relating to list of shareholders;
  - iii. Agenda and contents of the meeting;
  - iv. Documents for the meeting;
  - v. Drafted resolutions of the General Meeting of Shareholders with respect to each issue included in the meeting agenda;
  - vi. Determination of the time and venue of the meeting;

<sup>53</sup> Clause 4 Article 148 Enterprise Law 2020.

<sup>54</sup> Article 140 and 142 Enterprise Law 2020.

- vii. Notification and delivery of the notice of the General Meeting of Shareholders to all shareholders entitled to attend the meeting;
  - viii. Other works supporting the meeting.
- b. Shareholders or a group of shareholders owning 05% (five percent) or more of ordinary shares shall have a right to propose to include issues in the agenda of the General Meeting of Shareholders. The proposal must be in writing and sent to the Bank three (3) working days prior to the opening date of the General Meeting of Shareholders at the latest. The proposal must include the full name of the shareholder, the number and type of shares the shareholder holds, and the issues proposed to be included in the agenda.
- c. The convener of the General Meeting of Shareholders if refusing the proposal prescribed at Point b of this Clause, must reply in writing specifying the reason for such refusal at least two (02) working days before the opening date of the meeting of the General Meeting of Shareholders. The convener of the General Meeting of Shareholders shall have the right to reject the proposal prescribed at Point b of this Clause if it falls into one of the following cases:
- i. Proposals sent is inconsistent with provision of point b of this Clause;
  - ii. At the time of the proposal, shareholders or groups of shareholders fail to hold at least 05% (five percent) of the total ordinary shares;
  - iii. The proposed issue is beyond the authority of the General Meeting of Shareholders;
  - iv. Other cases in accordance with the law and this Charter.
- d. The convener of the General Meeting of Shareholders shall accept and include the proposals prescribed in Point (b) of this Clause into the tentative meeting agenda and contents, except for the cases prescribed in Point (c) of this Clause; the proposal is officially added to the agenda and content of the meeting if so approved by the General Meeting of Shareholders.

## **2. *Invitation to the General Meeting of Shareholders*<sup>55</sup>:**

- a. The convener of the General Meeting of Shareholders shall send a notice of invitation to all shareholders in the list of shareholders entitled to attend the meeting at least twenty one (21) days prior the date of opening the General Meeting of Shareholders. Notice shall be sent by a way that ensure it reach the contact address of shareholders and posted on the website of the Bank, State Securities Commission and Stock Exchange.

The meeting invitation must contain the name, head office address, enterprise code of the company; the name and contact address of the shareholders or the authorized representative(s) of the shareholder(s); time and venue of the meeting and other requirements (if any) imposed on the attendees.

- b. Attached to the meeting invitation shall be a meeting agenda, documents used for discussion in the meeting; list and details of candidates in case of election of members

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<sup>55</sup> Article 143 Enterprise Law 2020 and Clause 3 Article 18, Template of Charter, Annex 01 Circular 116/2020/TT-BTC.

of the Board of Directors, members of the Supervisory Board; draft Resolution for each issue in the meeting agenda and voting slip.

- c. The sending of meeting documents enclosed with the notice of meeting mentioned at Point b of this Clause 2 may be replaced by posting on the website of the Bank. In such case, the invitation to the meeting must specify where and how to download the documents.

**Article 31. Conditions and procedures for conducting the meeting and voting, the meeting minutes of the General Meeting of Shareholders**

**1. Conditions for conducting the General Meeting of Shareholders<sup>56</sup>:**

- a. The General Meeting of Shareholders shall be conducted at the presence of shareholders representing more than fifty percent (50%) of the total number of voting shares.
- b. If the first meeting fails to meet the conditions prescribed at Point a of this Clause, the invitation letter for the second meeting shall be served within thirty (30) days from the date scheduled for the first meeting. A second meeting of the General Meeting of Shareholders shall be conducted at the presence of shareholders representing 33% or more of the total number of voting shares.
- c. If the second meeting fails to meet the conditions prescribed at Point b of this Clause, the invitation for the third meeting must be served within twenty (20) days from the scheduled date of the second meeting. In this case, the third meeting of the General Meeting of Shareholders shall be conducted irrespective of the number of the attending shareholders and the percentage of voting shares represented by the attending shareholders.
- d. Only the General Meeting of Shareholders has the right to change the meeting agenda sent together with the meeting invitation as prescribed in Clause 2 of Article 30 of this Charter.
- e. In case the meeting of the General Meeting of Shareholders has been qualified to be conducted, but (i) the General Meeting of Shareholders fails to pass the meeting agenda; or (ii) the General Meeting of Shareholders fails to pass the resolutions of the General Meeting of Shareholders; or (iii) the General Meeting of Shareholders has been cancelled due to force majeure and cannot be approved for reschedule, it is considered that the General Meeting of Shareholders is not qualified to be conducted and regarded as a convening of the General Meeting of Shareholders, the next convening shall be conducted as prescribed in Points b and c of this Clause.

**2. Procedures for conducting the meeting and voting at the General Meeting of Shareholders<sup>57</sup>:**

- a. Before the opening of the meeting, the procedures for registration of shareholders attending the General Meeting of Shareholders must be conducted and the registration

<sup>56</sup> Article 145 Enterprise Law 2020.

<sup>57</sup> Article 146 Enterprise Law 2020, Article 20 Template of Charter, Annex 01 of Circular 116/2020/TT-BTC.



- must be carried out until all the shareholders entitled to attend the meeting have been registered.
- b. During shareholder registration, the Bank shall issue a voting card to each shareholder or his/her authorized representative, which states the registration number, full name of shareholder, full name of authorized representative and number of votes of such shareholder.
  - c. The Chairman, secretary and vote counting committee of the General Meeting of Shareholders are elected as follows:
    - i. The Chairman of the Board of Directors shall, or authorize another member of the Board of Directors to, act as chairman of all meetings convened by the Board of Directors; if the chairman is absent or temporarily incapable of working, the remaining members of the Board of Directors shall elect among themselves one to be the chairman of the meeting on the principle of majority; in case no chairman is selected, the Chief Supervisor shall arrange for the General Meeting of Shareholders to elect the chairman of the meeting among the participants and the person with the highest number of votes shall act as chairman of the meeting;
    - ii. In other cases, the signatory of the document convening the General Meeting of Shareholders shall arrange for the General Meeting of Shareholders to elect the chairman of the meeting and the person with the highest number of votes shall act as chairman of the meeting;
    - iii. The Chairman shall appoint one or several persons to act as secretary to prepare minutes of the General Meeting of Shareholders;
    - iv. The General Meeting of Shareholders shall elect one or several persons to form vote counting committee as proposed by the Chairman. The number of members of the vote counting committee shall be decided by the General Meeting of Shareholders based on the proposal by the Chairman;
  - d. The agenda and content of the meeting must be approved by the General Meeting of Shareholders in the opening session. The agenda must specify the time slot for each issue in the agenda; the agenda and content of the meeting may be approved by the General Meeting of Shareholders in whole or in part and if partially approved, the General Meeting of Shareholders shall be conducted with the approved part of the agenda, while that not approved will be considered in the next General Meeting of Shareholders;
  - e. The Chairman of the General Meeting of Shareholders has the right to take necessary measures to run the meeting in a reasonable and orderly manner in accordance with the approved agenda, complies with the wishes of the majority of the participants and ensures:
    - i. Seats be in place at venue of the General Meeting of Shareholders;
    - ii. Safety for everyone present at meeting venue be taken care of;
    - iii. Favorable conditions be created for shareholders to attend (or continue attending) the meeting. The person who convenes the General Meeting of Shareholders has

full rights to change the above measures and apply all necessary ones. The applied measures may include the issuance of entrance permits or other options.

- f. The General Meeting of Shareholders shall discuss and vote on each issue in the agenda of the meeting. The voting is conducted with votes in favor, votes against and abstentions. At the General Meeting of Shareholders, the votes in favor of the resolution shall be collected first, the votes against the resolution shall be collected later and finally, the total number of cards voting for and number of cards voting against shall be counted as the ground for decision making. The results of vote counting shall be announced by the Chairman immediately before the closing of the meeting;
- g. A shareholder or authorized representative of institutional shareholders and person authorized to attend the meeting arriving after the opening of the meeting is entitled to register right away, then attend and cast votes immediately after registration. The Chairman shall not delay the meeting for the registration of the late attendees; in this case, the effectiveness of any voting which has already been conducted shall not be affected;
- h. The convener or the chairperson of the General Meeting of Shareholders shall have the following rights:
  - i. To require all participants to be checked or subject to other lawful and appropriate security measures;
  - ii. To request the competent authority to maintain the order during the meeting; to expel from the General Meeting of Shareholders those who fail to comply with the chairperson's right to control the meeting, who intentionally disrupt or prevent normal progress of the meeting or who fail to comply with the security inspection requirements.
- i. The Chairman shall have the right to postpone or temporarily suspend the General Meeting of Shareholders with sufficient number of attendees for not more than exceed three (3) days from the date of the scheduled opening of the meeting and shall postpone or temporarily suspend the meeting or change its location in the following cases:
  - i. The location does not have enough convenient seats for all attendees;
  - ii. The means of communication at the meeting place fail to allow the participants to access, discuss and vote;
  - iii. Attendees' acts obstruct, disturb the order at the meeting or are likely to prevent the meeting from being conducted fairly and legally.
- j. In case the chairman adjourns or postpones a General Meeting of Shareholders contradicting the provisions of Point (i) of this Clause, the General Meeting of Shareholders shall elect another person among the attendees to replace the chairman to conduct the meeting (by vote of majority, i.e., over 51% of the total number of votes) until it finishes; all resolutions approved at that meeting will be effective.
- k. Annual General Meeting of Shareholders is not organized in the form of collecting shareholders' opinions in writing.

1. In case the Bank applies modern technology to organize the General Meeting of Shareholders in form of an online meeting, the Bank is responsible for ensuring that shareholders could attend, vote by means of electronic voting or by other electronic methods in accordance with the laws.

3. ***Minutes of General Meeting of Shareholders***<sup>58</sup>:

- a. The General Meeting of Shareholders must be recorded in the minutes book of the Bank and may be recorded in audio form or recorded and stored in another electronic form. The minutes must be made in Vietnamese, and possibly in a foreign language and must contain the following fundamental particulars:
  - i. Name, code of the enterprise, address of the head office;
  - ii. Time and venue of the General Meeting of Shareholders;
  - iii. Agenda and contents of the meeting;
  - iv. Chairman and secretary;
  - v. A summary of the meeting and the opinions stated at the General Meeting of Shareholders on each matter set out in the meeting agenda;
  - vi. The number of shareholders and total number of votes of shareholders attending the meeting, appendix of the registered shareholders list, representatives of shareholders attending the meeting with the number of shares and their respective number of votes;
  - vii. The total number of votes for each issue, in which clearly states the way of voting, total number of valid and invalid votes, the total number of votes for, against and abstention; the proportion of the total number of votes of shareholders attending the meeting;
  - viii. The issues which have been passed and the proportion of votes approved;
  - ix. Full name, signature of the chairman and secretary.

Minutes prepared in Vietnamese and foreign languages have the same legal validity. In case of differences in contents between the Vietnamese and foreign language versions, the Vietnamese minutes shall prevail.

In case the chairperson or the secretary refuses to sign the meeting minutes, this minutes shall be effective if signed by all other members of the Board of Directors attending the meeting and having all the information as prescribed from item (i) up to (viii) this point. The minutes of the meeting should state clearly that the chairman and secretary refused to sign the minutes of the meeting.

- b. Minutes of the General Meeting of Shareholders must be completed and approved before the closing of the meeting.
- c. The chairman and secretary of the meeting or other persons signing the meeting minutes shall be jointly liable for the truthfulness and accuracy of the contents of the minutes.

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<sup>58</sup> Article 150 Enterprise Law 2020.

- d. Minutes of the General Meeting of Shareholders must be disclosed on the Bank's website within twenty-four (24) hours or sent to all shareholders within fifteen (15) days, since the closing date of the meeting; the sending of vote counts can be replaced by posting on the Bank's website.
- e. Minutes of the General Meeting of Shareholders, its appendix on the list of shareholders attending the meeting, full version of the adopted resolution and related documents sent as attachment to the notice of meeting must be published in accordance with legal regulation on information publication in stock market and kept at the headquarters of Bank.

**Article 32. Authority and procedures for collecting written opinions of shareholders in order to pass resolutions of the General Meeting of Shareholders<sup>59</sup>**

1. The Board of Directors shall have the right to collect written opinions of shareholders in order to pass a resolution of the General Meeting of Shareholders at any time, if it considers necessary in the interest of the Bank, except for matters which must be approved by way of voting at the General Meeting of Shareholders;
2. The Board of Directors shall prepare the written ballot, draft resolutions of the General Meeting of Shareholders and the documents explaining the draft resolution and send to all shareholders which have voting rights at least 10 days before the deadline for returning the completed written ballots. The written ballots attached to the draft decision(s) and the explanatory documents must be sent by secured mean to the permanent address of each shareholder.
3. ***The written ballot must contain the following key particulars:***
  - a. Name, address of the head office, enterprise code of the Bank;
  - b. Purpose of collecting opinions;
  - c. Full name, contact address, nationality, serial number of legal paper of an individual as for an individual shareholder; Name, enterprise code or serial number of legal paper of organization, head office address as for institutional shareholders or full name, contact address, nationality, serial number of legal paper of individual as for the representative of institutional shareholders; number of shares of each type and number of voting shares of each shareholder;
  - d. The issues for collecting written opinions for approval;
  - e. Voting options comprising in favor, against and abstention;
  - f. The deadline by which the completed written opinion collection form must be returned to the Bank;
  - g. Full name and signature of the Chairman of the Board of Directors;
4. Shareholders may send written ballots to the Bank in one of the following forms:

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<sup>59</sup> Article 149 Enterprise Law 2020.

- a. By post: the answered written ballot delivered to the Bank by post must be kept in a sealed envelope and unopened until the vote counting;
  - b. By fax or email: the answered written ballots delivered to the Bank by fax or email must be kept confidential until the vote counting.
  - c. An answered written ballot must bear signature of individual shareholders, signature of authorized representative or by legal representative of institutional or individual shareholder.
  - d. Any written ballot delivered to the Bank after the deadline specified in such ballot or opened in the case of mailing and being disclosed in the case of sending a fax or email is invalid. Answered written ballots which are not delivered to the Bank are considered as not participating in the vote.
5. Board of Directors shall count the votes and prepare a minute of vote counting at the presence and under supervision of the Supervisory Board or the shareholders who do not hold a managerial position in the Bank. The vote counting minutes shall basically contain the following information:
- a. Name, address of the headquarters, enterprise code;
  - b. Purpose and issues on which the opinions are collected for the adoption;
  - c. The number of shareholders participating the vote and their corresponding number of votes, indicating clearly the number of valid votes and that of invalid ones and the method of sending the written ballots, together with the appendix on the list of shareholders participating in the voting;
  - d. Total number of votes in favor, votes against and abstentions on each issue;
  - e. The adopted issue(s) and the respective ratio(s) of votes in favor thereof;
  - f. Full names and signatures of the Chairman of the Board of Directors, the legal representative of the Bank, the vote-counting supervisor(s) and the vote counter(s).
- The members of the Board of Directors, the vote-counting supervisor(s) and the vote counter(s) shall be jointly liable for the truthfulness and accuracy of the vote counting minutes; and shall be jointly liable for any losses arising from a resolution adopted due to untruthful or inaccurate counting of votes;
6. Minutes of vote-counting must be sent to shareholders within fifteen (15) days from the date of completion of counting of votes. In case the Bank has an electronic website, the serving of the vote counting minutes may be replaced by posting on the website of the Bank.
  7. Answered written ballots, the minute of counting of votes, the full text of the resolutions which was passed and related documents enclosed to the written ballots must be archived at the headquarters of the Bank;
  8. Resolutions which are passed by way of collecting written opinions of shareholders shall have the same validity as those passed at the General Meeting of Shareholders.

**Article 33. Validity of the Resolutions of the General Meeting of Shareholders**

Resolutions of the General Meeting of Shareholders shall be effective from the date of adoption or from the effective date specified therein.

Within fifteen (15) days from the closing date of the meeting or from the date of completion of the vote counting, in case of collecting written opinions, all resolutions adopted by the General Meeting of Shareholders must be sent to SBV's branches in the provinces or cities where the Bank is headquartered.

**Article 34. Cancellation of resolutions of the General Meeting of Shareholders<sup>60</sup>**

1. Within ninety (90) days from the date of receipt of the resolutions or minutes of the General Meeting of Shareholders or the minutes of the results of vote counting to collect the opinions of the General Meeting of Shareholders, shareholders or group of shareholders owning 05% (five percent) or more of the total number of ordinary shares shall have the right to request the Court or Arbitrator to consider and cancel the resolution or part of the resolution of the General Meeting of Shareholders in the following circumstances:
  - a. The order and procedures for convening the General Meeting of Shareholders and issuing resolutions seriously infringe the provisions of the Enterprise Law and this Charter, except for cases prescribed in Clause 2, Article 29 of this Charter;
  - b. Contents of the Resolution breach the law or this Charter.
2. Where a shareholder, a group of shareholders requests the Court or an arbitration to annul a resolution of the General Meeting of Shareholders as provided for in Clause 1 of this Article, such resolution will remain in effect until the decision on such annulment by the Court or Arbitration takes effect, except for the case of provisional urgent measures taken under the decision of the competent agency.

**Chapter 8**

**GENERAL PROVISIONS APPLICABLE TO BOARD OF DIRECTORS,  
SUPERVISORY BOARD, CHIEF EXECUTIVE OFFICER AND SOME  
OTHER TITLES**

**Article 35. General obligations**

1. The Board of Directors is the administrative body of the Bank and shall have full authority to make decisions, exercise rights and obligations in the name of the Bank, except for issues falling within the authority of the General Meeting of Shareholders<sup>61</sup>.
2. The Supervisory Board is the body supervising the compliance of the Bank with legal regulations and this Charter in terms of management and operation and shall be responsible to the General Meeting Shareholders for exercising the assigned duties and powers<sup>62</sup>.

<sup>60</sup> Article 151, Clause 3 Article 152 Enterprise Law 2020.

<sup>61</sup> Clause 1 Article 45 of the Law on Credit Institutions.

<sup>62</sup> Clause 1 Article 45 of the Law on Credit Institutions.

3. The Board of Directors shall appoint one of its members to be Chief Executive Officer or shall hire a Chief Executive Officer. Chief Executive Officer holds the highest executive power in the Bank, is responsible to the Board of Directors and the laws for the implementation of his/her rights and duties<sup>63</sup>.
4. The shortlist of nominees or appointees for members of the Board of Directors, Supervisory Board, and Chief Executive Officer of the Bank shall be approved in writing by SBV Governor before electing or appointing the positions. The elected and pointed members of the Board of Directors, Supervisory Board, and Chief Executive Officer of the Bank must be from the list approved by SBV<sup>64</sup>.
5. The removal and dismissal of members of the Board of Directors, Supervisory Board, Chief Executive Officer of the Bank shall be conducted in accordance with the Law on Credit Institutions and reported to SBV within ten (10) days from the date on which decision on the removal and dismissal of such positions is approved<sup>65</sup>.
6. The Bank must establish an internal authorization and assignment mechanism within the Board of Directors, Supervisory Board, Chief Executive Officer and execution units in compliance with the law in order to ensure the safety, effectiveness, and smoothness of the Bank's management and administration.

**Article 36. Persons who are banned from holding position, concurrently holding different positions, eligibility criteria for being elected and appointed<sup>66</sup>**

***1. Cases of being unqualified to hold the positions:***

- a. The following persons may not hold the positions as Chief Accountant, Director of Branch, and Director of subsidiary of the Bank:
  - i. Juvenile persons, persons whose civil capacity is restricted or lost;
  - ii. Those who are under criminal prosecution, serving criminal sentences or decisions of the court, holding criminal records;
  - iii. Convicts of serious crimes or ever more severe ones;
  - iv. Government officer as prescribed by the law on government officer; management position holders or operational managers of state enterprises of which the State owns from 50% of charter capital, except for persons appointed to be authorized representatives to administer capital contribution of the State to the Bank;
  - v. Officers, non-commissioned officers, professional warriors, defense staffs working in units or organizations of the People's Army of Vietnam; professional officers, non-commissioned officers working in units or organizations of the People's Police of Vietnam; except for persons appointed to be authorized representatives to administer capital contribution of the State to the Bank;

<sup>63</sup> Clause 2 Article 48 of the Law on Credit Institutions.

<sup>64</sup> Article 51 of the Law on Credit Institutions.

<sup>65</sup> Article 51 of the Law on Credit Institutions.

<sup>66</sup> Article 33 Article 34 of the Law on Credit Institutions.

- vi. Parents, spouses, children and siblings of members of the Board of Directors, Chief Executive Officers and the spouses of these persons shall be prohibited to hold positions as Chief Accountant or Chief Financial Officer of the Bank.
- b. The following persons are prohibited from being members of the Board of Directors, Supervisory Board, Chief Executive Officers and holding equivalent titles of the Bank:
  - i. Those defined in Point a of this Clause;
  - ii. Those prohibited to be managers and executives in accordance with the legal regulations on government officers and legal regulations on anti-corruption;
  - iii. Those who used to be owners of private enterprises, partners of partnerships, Director (Chief Executive Officer), Chairman and members of Boards of Directors, Members' Council and Supervisory Board of enterprises, Chairman and members of Board of cooperative management at the time enterprises or cooperatives are declared bankrupt, except cases of bankruptcy in force majeure circumstances;
  - iv. Those who used to be legal representatives of enterprises which are forced to cease their operation or to be dissolved due to their serious violations of law, except cases in which the legal representatives are assigned by government authorities to reorganize and stabilize those enterprises;
  - v. Those who were once suspended from holding the title of chairman of the Board of Directors, member of the Board of Directors, Chief Supervisor, member of Supervisory Board or Director General (Director) of credit institution under Article 37 of the Law on Credit Institutions or determined by a competent agency as having committed violations leading to the revocation of the credit institution's license;
  - vi. Parents, spouses, children and siblings of members of the Board of Directors, Chief Executive Officer may not be members of Supervisory Board of the Bank;
  - vii. Parents, spouses, children and siblings of members of the Board of Directors are banned to be Chief Executive Officer of the Bank.
  - viii. Those who are held liable under an inspection conclusion whereby the Bank is administratively sanctioned with the highest fine for acts in the currency and banking sector in breach of the regulations on licenses, management, administration, shares, stocks, capital contribution, purchase of shares, extension of credit, purchase of enterprise bonds and prudential ratios in accordance with the law on dealing with administrative breaches in the currency and banking sector<sup>67</sup>.

**2. Cases banned from concurrently holding different positions:**

- a. Members of the Board of Directors of the Bank:
  - i. Shall not be at the same time a member of Supervisory Board of the Bank;
  - ii. Shall not be at the same time a manager of another credit institution, unless this institution is the subsidiary of the Bank;

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<sup>67</sup> Clause 6 Article 1 of Law on amendment and supplementation to Law on Credit Institutions.



- iii. The Chairman of the Board of Directors shall not be at the same time an executive of the Bank, a member of the Board of Directors or an executive of another credit institution, unless this institution is the subsidiary of the Bank.
- b. Members of Supervisory Board of the Bank:
  - i. Shall not be at the same time a member of Board of Directors, executives, employees of the Bank or subsidiary of the Bank;
  - ii. Shall not be at the same time a member of Board of Directors, executives of an enterprise whose member of its Supervisory Board is a member of Board of Directors or executive of the Bank;
  - iii. The Chief Supervisor shall not be at the same time a member of the Supervisory Board or an executive officer of another credit institution.
- c. The Chief Executive Officer, the Deputy Chief Executive Officer or persons in equivalent positions of the Bank are not permitted to concurrently be a member of the Board of Directors or Members' Council or Supervisory Board of another credit institution, unless it is a subsidiary of the Bank.

The Deputy Chief Executive Officer or person in equivalent positions of the Bank are not permitted to be the Chief Executive Officer (Director), Deputy Chief Executive Officer (Deputy Director) or persons in equivalent positions of another enterprise<sup>68</sup>.

- d. Other cases are banned from concurrently holding different positions under Article 34 of the Law on Credit Institutions 2010 (as amended and supplemented under Clause 7, Article 1 of the Law on amendments and supplements to the Law on Credit Institutions 2017).
3. ***Qualifications and criteria for election and appointment***<sup>69</sup>:
- a. Qualifications and criteria of members of Board of Directors:
    - i. not belonging to the list of people specified in Point b, Clause 1 of this Article;
    - ii. upholding professional ethics;
    - iii. Possessing a university or postgraduate degree<sup>70</sup>;
    - iv. Having at least 3 years' working experience as manager or executive of a credit institution or having at least 5 years' experience as manager or executive of an enterprise operating in the finance, banking, accounting, auditing sectors or of another enterprise with equity of at least equal to the legal capital level stipulated by law of the Bank, or at least 5 years' direct working experience in a finance, banking, accounting or auditing professional section<sup>71</sup>.
    - v. independent members of the Board of Directors must satisfy the criteria and conditions specified in this point and also those on independent quality as specified in Clause 4 of this Article.

<sup>68</sup> Clause 7 Article 1 of Law on amendment and supplementation to Law on Credit Institutions

<sup>69</sup> Article 50 of the Law on Credit Institutions (except Clause 2).

<sup>70</sup> Clause 10 Article 1 of the Law on Credit Institutions.

<sup>71</sup> Clause 10 Article 1 of the Law on Credit Institutions.

- b. Qualifications and criteria of members of Supervisory Board:
- i. not belonging to the list of people specified in Point b, Clause 1 of this Article;
  - ii. not working in the accounting and finance department of the Bank; not being a member or employee of the auditing organization engaged to audit the financial statements of the Bank in the 03 preceding years<sup>72</sup>;
  - iii. upholding professional ethics;
  - iv. holding a university or post-graduate degree in one of the majors of economics, business administration, law, accounting or auditing; and having at least three years' experience working directly in the banking, financial, auditing or accounting sectors;
  - v. not being a related person of a manager of the Bank;
  - vi. not being a person in family relationship with the managers of the Bank, person representing the capital of enterprise, person representing the State capital in the Bank<sup>73</sup>;
  - vii. full-time members of the Supervisory Board must reside in Vietnam during their term of office.
- c. Qualifications and criteria of Chief Executive Officer:
- i. not belonging to the list of people specified in Point b, Clause 1 of this Article;
  - ii. not being a person in family relationship with the managers, Supervisory Board members of the Bank, person representing the capital of enterprise, person representing the State capital in the Bank<sup>74</sup>;
  - iii. upholding professional ethics;
  - iv. holding a university or post-graduate degree in one of the majors of economics, business administration, law;
  - v. Having worked for at least 5 years as an executive of a credit institution, or for at least 5 years as the Chief Executive Officer (Director) or Deputy Chief Executive Officer (Deputy Director) of an enterprise with equity of at least equals to the legal capital of the Bank and having worked for at least 5 years directly in the financial, banking, accounting or auditing sectors, or having worked for at least 10 years directly in the financial, banking, accounting or auditing sectors<sup>75</sup>;
  - vi. Residing in Vietnam during his/her term of office.
- d. Qualifications and criteria of Deputy Chief Executive Officer, Chief Accountant, Director of Branch, Director of Subsidiary and equivalent titles:
- i. Not belonging to the list of people defined in Point a, Clause 1 this Article; for Deputy Chief Executive Officer, not belonging to the list of people defined in Point b, Clause 1 this Article.

<sup>72</sup> Clause 2 Article 286 Decree 155/2020/NĐ-CP.

<sup>73</sup> Clause 2 Article 169 Enterprise Law 2020.

<sup>74</sup> Point b Clause 5 Article 162 Enterprise Law 2020.

<sup>75</sup> Clause 11 Article 1 of Law on amendment and supplementation to Law on Credit Institutions.

- ii. Having professional qualifications and experience. Holding a university or postgraduate degree in one of the majors of economics, business administration, law or in the professional sector in which he or she will hold the position; or holding a university or post-graduate degree out of one of the above-mentioned majors and having at least three years' experience working directly in the banking, financial sector or in the professional sector in which he or she will hold the position;
- iii. Residing in Vietnam during his/her term of office.

**4. *Qualifications and criteria for independent members of Board of Directors***<sup>76</sup>:

- a. Neither currently working for the Bank or its subsidiary nor working for the Bank or its subsidiary for 3 preceding years;
- b. Not being paid salaries or regular remuneration of the Bank other than allowances to which members of the Board of Director are entitled in accordance with regulations;
- c. Having no spouse, parent, child, sibling and spouses of these persons being major shareholders of the Bank, managers or members of Supervisory Board of the Bank or its subsidiary;
- d. Neither directly nor indirectly owning or representing ownership of 1% or more of the charter capital or voting share capital of the Bank; together with his/her related persons not owning 5% or more of the charter capital or voting share capital of the Bank;
- e. Not being a manager or member of Supervisory Board of the Bank at any time in the 5 preceding years.

**Article 37. *Public disclosure of related interests***<sup>77</sup>

- I. Members of Board of Directors, members of the Supervisory Board, the Chief Executive Officer, Deputy Chief Executive Officers, and other equivalent management officers of the Bank shall be required to disclose to the Bank the following information:
  - a. Name, head office address, business lines, serial number and issuing date of the enterprise registration certificate, business registration place of any enterprise or economic organization in which such person and his/her related person own a capital contribution portion or shares in his/her/their name or authorizes or entrusts another person or organization to own 5% or more of the charter capital of such enterprise or economic organization;
  - b. Name, head office address, business lines, number and issuing date of the enterprise registration certificate, business registration place of any enterprise in which such person and his/her related person are currently members of the Board of Directors, members of The Members' Council, members of The Supervisory Board, Chief Executive Officer.

<sup>76</sup> Clause 2 Article 50 of the Law on Credit Institutions.

<sup>77</sup> Article 39 of the Law on Credit Institutions.

2. The disclosure of information pursuant to Clause 1 of this Article and changes to the relevant information shall be made in writing within seven (07) business days from the date on which the relevant information has come into existence or has been changed.
3. The Bank shall be required to disclose the information prescribed in Clause 1 of this Article on an annual basis to the General Meeting of Shareholders, and shall display and archive such disclosed information at the headquarters of the Bank.
4. The Bank shall send a written report to SBV on the information prescribed in Clause 1 of this Article within 07 business days since the date on which the Bank received the published information prescribed in Clause 2 of this Article<sup>78</sup>.

**Article 38. Remuneration, salaries and other benefits of members of Board of Directors, members of Supervisory Board, Chief Executive Officer**

Remuneration, salaries and other benefits of members of Board of Directors, members of Supervisory Board shall be considered and decided by General Meeting of Shareholders; and those of the Chief Executive Officer by the Board of Directors in compliance with Article 163, Article 172 of Enterprise Law and this Charter.

Remuneration of members of Board of Directors is regulated at Article 48 of this Charter.

**Article 39. Automatic loss of status<sup>79</sup>**

1. Status as a member of members of Board of Directors, members of Supervisory Board and Chief Executive Officer shall automatically be lost in the following cases:
  - a. Loss of capacity for civil acts or death;
  - b. Infringement of Point b, Clause 1 of Article 36 herein regarding cases in which people are not permitted to hold positions;
  - c. Termination of the legal entity of any institutional shareholder (for which that person is an authorized representative to administer the capital contribution);
  - d. Termination of the authorized representative status;
  - e. Deportation from the territory of the Socialist Republic of Vietnam pursuant;
  - f. Revocation of Establishment and Operation License of the Bank;
  - g. Expiry of labor contract with Chief Executive Officer.
2. Within five (5) business days after finding out automatic loss of status as specified in Points a, b, c, d, e and g, Clause 1 this Article, Board of Directors of the Bank shall send a report enclosed with evidence documents to SBV and take responsibility for the accuracy and truthfulness of this report before the law. At the same time, the Board of Directors shall perform the procedures to nominate and appoint replacement for vacant position in accordance with legal regulations.

<sup>78</sup> Clause 8 Article 1 of Law on amendment and supplementation to Law on Credit Institutions.

<sup>79</sup> Article 35 of the Law on Credit Institutions.

3. Chairman and members of Board of Directors, Head and members of Supervisory Board, Chief Executive Officer of the Bank, after automatically losing status, must be individually responsible for his/her decisions against the laws and Charter of the Bank or intentional wrong doings during his/her office term.

**Article 40. Removal, dismissal<sup>80</sup>**

1. Chairman or a member of Board of Directors, Head or a member of the Supervisory Board, Chief Executive Officer of the Bank shall be considered to be removed, dismissed from office in following cases:
  - a. restriction of civil act capacity;
  - b. resignation letter tendered (specifying reasons for resignation) to the Board of Directors, Supervisory Board of the Bank;
  - c. failure to meet the criteria, conditions specified in Clause 3, Article 36 of this Charter;
  - d. failure to meet the independence requirements for Independent Member of Board of Directors;
  - e. failure to engage in activities of the Board of Directors (for members of Board of Directors), Supervisory Board (for members of Supervisory Board) in six (06) consecutive months, except in force majeure circumstances;
  - f. accusation by government authorities of serious violation of regulation specified in Article 36, Article 42 of this Charter;
  - g. decision so found necessary by the authority entitled to such election and appointment;
  - h. other cases regulated in the law (if any).
2. Chairman or a member of Board of Directors, Chief Supervisor or a member of the Supervisory Board, Chief Executive Officer of the Bank, after being removed or dismissed, must be individually responsible for his/her decisions against the laws and Charter of the Bank or intentional wrong doings during his/her office term.
3. Within ten (10) working days from the date of approval of the decision on dismissal or removal as specified in Clause 1 of this Article, the Board of Directors of the Bank shall issue a written notice enclosed with supporting evidence to SBV and take responsibility for the accuracy and truthfulness of this report before the law. Meanwhile, the Board of Directors shall perform the procedures to nominate and appoint replacement for those vacancies in accordance with legal regulations.

**Article 41. Suspension, temporary suspension<sup>81</sup>**

1. In case the Bank is subjected to special control, the Special Control Board established by SBV has the right to suspend or temporarily suspend performance of rights and obligations of the Chairman and Members of Board of Directors, Chief Supervisor and members of Supervisory Board, Executives of the Bank, if it is deemed necessary.

<sup>80</sup> Article 35 of the Law on Credit Institutions.

<sup>81</sup> Article 37 of the Law on Credit Institutions.

2. In case Chairman and members of Board of Directors, Chief Supervisor and members of Supervisory Board, Executives of the Bank violate Clause 2, Article 36 of this Charter or legal regulations and this Charter when performing their rights and assigned obligations; SBV has the right to suspend or temporarily suspend these persons from their powers and duties; and may request the competent body of the Bank to remove, dismiss, elect, appoint or name a substitute if it is deemed necessary
3. Chairman and members of Board of Directors, Chief Supervisory and members of Supervisory Board, Executives of the Bank may be suspended or temporarily suspended from their powers and duties according to the decision of law enforcement bodies.
4. A person who is suspended or temporarily suspended from his/her powers, duties under this Article shall be responsible to remedy problems and violations related to his/her own responsibilities as requested by SBV, Board of Directors, and Supervisory Board of the Bank or the Special Control Board.

## **Chapter 9**

### **ENTRUSTED OBLIGATIONS OF MEMBERS OF BOARD OF DIRECTORS, MEMBERS OF SUPERVISORY BOARD AND EXECUTIVES OF THE BANK**

#### **Article 42. Rights and obligations of members of Board of Directors, members of Supervisory Board and Executives of the Bank<sup>82</sup>**

1. To exercise rights and assigned obligations in accordance with law, this Charter, and decisions of the General Meeting of Shareholders.
2. Members of the Board of Directors, members of the Supervisory Board, Chief Executive Officer and other executives shall be obligated to perform their duties, including duties as members of subcommittees of the Board of Directors, honestly and cautiously for the benefit of the Bank.
3. To be loyal to the interests of the Bank; to refrain from using the information, know-how or business opportunities of the Bank or taking advantage of their status, position and assets of the Bank for personal benefit or for the benefits of other individual or organization or against the interests of the Bank.
4. To keep dossiers and records of the Bank in order to provide statistics for the Bank to manage, administer and control its activities and for SBV's inspection, supervision and examination.
5. To have a thorough knowledge of various types of risks in the operation of the Bank.
6. To promptly, precisely and fully notify the Bank of his or her interests in other organizations or transactions with other organizations and individuals which may conflict with the

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<sup>82</sup> Article 38 of the Law on Credit Institutions.

- interests of the Bank, and to participate in such transactions only upon consent from the Board of Directors.
7. Not to facilitate the extension of loan or other banking services by the Bank to himself or herself or his/her related person on such conditions which are more preferential or favourable than the normal conditions stipulated by the Bank.
  8. Not to illegally compete with the Bank or create favorable conditions for any third party against the interests of the Bank.
  9. Not to be entitled to an increase in salary, remuneration, bonuses when the Bank suffers losses.
  10. Other obligations stipulated in this Charter.

**Article 43. Avoidance of conflicts of interest**

1. Any transaction contracts between the Bank and members of Board of Directors, members of Supervisory Board, Chief Executive Officers, major shareholders and related parties of executives, members of Supervisory Board, major shareholders of the Bank, subsidiaries, affiliated companies of the Bank which does not fall within the scope and subjects of prohibited or restricted transaction contract according to Law on Credit Institutions and its guidance documents, are signed with the following conditions:
  - a. any contract with the value of more than 20% (twenty percent) of the charter capital of the Bank as recorded in its most recent audited financial statements (pursuant to SBV's regulation) shall be approved by The General Meeting of Shareholders before signing. In this case, the relevant shareholders shall not be entitled to vote<sup>83</sup>.
  - b. any contract with the value equal to or less than 20% (twenty percent) of the charter capital of the Bank as recorded in its most recent audited financial statements (pursuant to SBV's regulation) shall be approved by Board of Directors before signing. In this case, the relevant members shall not be entitled to vote<sup>84</sup>.
2. Where a contract is entered into without approval of the General Meeting of Shareholders or the Board of Directors as provided in Clauses 1 of this Article, such contract shall be invalid and be handled in accordance with the Law. The relevant persons causing losses to the Bank shall compensate for all the losses.
3. Members of Board of Directors, members of Supervisory Board, Chief Executive Officers and other executives are not allowed to trade shares of Bank or its subsidiaries when they possess information which could impact the price of shares, while other shareholders do not.

**Article 44. Liability and compensation**

1. **Liability:**

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<sup>83</sup> Point q Clause 2 Article 59 of the Law on Credit Institutions.

<sup>84</sup> Clause 10 Article 63 of the Law on Credit Institutions.

Members of Board of Directors, member of Supervisory Board, the Chief Executive Officer, and other executives must comply with prevailing laws and regulations, this Charter and internal policies of the Bank when performing their duties and shall be liable for any loss and damage to the Bank caused by any of their breach.

**2. Compensation:**

The Bank shall compensate for all reasonable expenses related to any claim, legal proceeding related to the assigned tasks of the Bank's managements, officers and employees, who must participate therein, in which these persons shall act honestly, cautiously, diligently for the benefit and not contradict the interests of the Bank; have strictly complied with the regulations of the law, this Charter and the Regulations of the Bank. The Bank may purchase and maintain insurance for these persons for such liabilities.

## **Chapter 10**

### **BOARD OF DIRECTORS<sup>85</sup>**

#### **Article 45. Composition and Term**

1. General Meeting of Shareholders elects, removes, dismisses members of Board of Director under regulation of this Charter. Board of Directors elects, removes, and dismisses Chairman of Board of Directors.
2. The Board of Directors shall have at least 05 members and not more than 11 members including at least 01 independent member. At least 1/2 (half) of the members of the Board of Directors must be independent and not be executive officers. The Chairman may be an independent member<sup>86</sup>.
3. An individual and his/her related person or representatives of capital contribution of an organization shareholder and their related persons shall not be entitled to more than one third (1/3) of the total number of the members of the Board of Directors of the Bank.
4. The term of office of the Board of Directors shall be 05 years. The term of office of a member of the Board of Directors shall be the same with the term of office of the Board of Directors. Members of the Board of Directors may be re-elected without restriction on the number of re-election. The term of office of additional or replacement members shall be the remaining period of the term of office of the Board of Directors. The Board of Directors of the previous term shall operate until the Board of Directors of the new term takes over its work. An individual can only be elected as an independent member of the Board of Directors of the Bank for no more than 2 consecutive terms<sup>87</sup>.

<sup>85</sup> Article 43, 62, 63, 64, 65 of the Law on Credit Institutions, Clause 2 Article 156 Enterprise Law 2020.

<sup>86</sup> Clause 1 Article 62 of the Law on Credit Institutions.

<sup>87</sup> Clause 2 Article 154 Enterprise Law 2020, Clause 2 Article 26 Template of Charter, Annex 01 of Circular 116/2020/TT-BTC.



5. Where the Board of Directors does not have 2/3 (two third) of the number of the members required for a term of the Board of Directors or the minimum number of members as prescribed in this Charter, then the Board of Directors shall, within a period of sixty (60) days from the date on which the number of members is insufficient, the Bank shall elect additional member(s) of the Board of Directors to make up regulated number.
6. Appointment, dismissal, removal and resignation of Chairman and members of Board of Directors shall comply with prevailing regulations and this Charter. Process, procedures and dossiers of application for SBV's approval of the proposed election, appointment, removal, dismissal of Chairman and members of Board of Directors shall comply with SBV's regulations.<sup>88</sup>.
7. When the Bank is listed, the appointment of members of the Board of Directors must be announced in accordance with the law on securities and securities market when the Bank's shares are listed.
8. Chairman and other members of the Board of Directors must not authorize other persons who are not Board Members to exercise their duties and powers.
9. Where foreign shareholders (including Vietnamese residing overseas) have seats in the Board of Directors, additional conditions below must be satisfied:
  - a. The ratio of foreign members of Board of Directors shall correspond to the ratio of shares owned by all foreign shareholders in the Bank;
  - b. Concurrently holding membership of Board of Directors in more than 02 (two) credit institutions in Vietnam is not allowed;
  - c. Holding the Chairmanship of Board of Directors of the Bank is not allowed.

**Article 46. Rights and obligations of the Board of Directors**

1. To be responsible to the law, General Meeting of Shareholders for the implementation of their assigned duties
2. To submit to the General Meeting of Shareholders for decision and approval of matters within its authority. To submit audited financial statements, management reports of the Bank to General Meeting of Shareholders.
3. To decide on the Bank's medium-term development strategy and annual business plan of the Bank.
4. To define operational objectives on the basis of strategic objectives approved by General Meeting of Shareholders.
5. To make decision on the establishment of branches, representative offices, business supported entities.
6. To appoint, remove, discipline, suspend and decide on salaries and other benefits for Chief Executive Officer, Deputy Chief Executive Officers, Chief Accountant, Secretary of the

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<sup>88</sup> Circular 22/2018/TT-NHNN.

- Board of Directors, managers and other executives under the internal regulations of Board of Directors. To report to General Meeting of Shareholders on its appointment of Chief Executive Officer<sup>89</sup>.
7. To make decision on contributing capital to and purchase shares from other enterprises or credit institutions by the Bank with value less than 20% of the charter capital of the Bank as recorded in the most recent audited financial statements.
  8. To appoint representative of the capital contribution portion of the Bank in other enterprises and credit institutions.
  9. To make decision on investment, purchase and sale of assets of the Bank with value of 10% or more of the charter capital of the Bank as recorded in the most recent audited financial statements, except for investments, purchase and sale of assets of the Bank as regulated at Point o Clause 3, Article 27 of this Charter.
  10. To make decision on loans prescribed at Clause 7 Article 128 of Law on Credit Institutions (as amended and supplemented), except for transactions under authority of the General Meeting of Shareholders regulated in this Charter.
  11. To approve any contracts between the Bank and its subsidiaries and affiliated companies; contracts between the Bank and members of the Board of Directors, members of Supervisory Board, Chief Executive Officer, major shareholders or their related persons, which are valued at or less than 20% of the Bank's charter capital as recorded in the latest audited financial statement. In this case, related members have no voting right.
  12. To examine, supervise and direct the Chief Executive Officer in exercising his/ her duties; to annually evaluate the work performance of the Chief Executive Officer.
  13. To directly supervise credit approval made by the Board of Management for loans to Customers or Customers and their Related Persons with a value of 5% and more of the Bank's charter capital or other values in accordance with the decisions of the Board of Directors.
  14. To issue financial regulation and internal regulations relating to the organization, administration and operation of the Bank in accordance with this Charter and the relevant laws, except for issues falling within the power of the Supervisory Board or the General Meeting of Shareholders.
  15. To make decision on the risk management policy and supervise the implementation of measures for prevention of risks of the Bank.
  16. To examine and approve annual reports.
  17. To make decision on selection of professional valuation organizations to value assets used for capital contribution other than Vietnamese currency, freely convertible foreign currency and gold in accordance with the law;

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<sup>89</sup> Clause 16 Article 1 of Law on amendment and supplementation to Law on Credit.

18. To put forward issues to the Governor of SBV for approval in accordance with the laws;
19. To make decision on the offer of new shares for sales from the number of shares approved to be offered for sale.
20. To decide on offer prices of shares and convertible bonds of the Bank in case of being authorized by General Meeting of Shareholders.
21. To approve bond issuance plan of the Bank.
22. To make decision on the redemption of shares of the Bank, including decision on price.
23. To propose issuance of shares, convertible bonds and warrant-linked bond.
24. To recommend on the restructure, dissolution or request for bankruptcy of the Bank.
25. To decide on issues under the power of the ownership in the subsidiaries of the Bank, decide the organization structure of the subsidiaries.
26. To decide on the transfer of assets among units inside the Bank or among subsidiaries and independent associates of the Bank.
27. To propose plan of distribution of profits, dividend rates to be paid; make decision on the time and procedures for payment of dividends or resolve losses arising in the course of business.
28. To prepare relevant contents and documents for submission to the General Meeting of Shareholders for its approval on matters within its power, except for those within the powers and duties of the Supervisory Board.
29. To approve on programs and operation plans of the Board of Directors; programs, contents and documents for meetings of the General Meeting of Shareholders; to convene meetings of the General Meeting of Shareholders or collect written opinions of shareholders in order to ratify resolutions or decisions of the General Meeting of Shareholders.
30. To implement and supervise the implementation of resolutions or decisions of the General Meeting of Shareholders and Board of Directors.
31. To perform petitions of the Supervisory Board to the Board of Directors in the report of internal audit results (if any) and notify the Supervisory Board of the results of implementation of these petitions<sup>90</sup>.
32. To timely notify SBV of information that has adverse effect on the status of members of the Board of Directors, Supervisory Board, Chief Executive Officer.
33. To deal with the Bank's complaints against the executives as well as to decide on the selection of representatives of the Bank to solve issues related to the legal procedures for such executives.

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<sup>90</sup> Point b Clause 2 Article 65 Circular 13/2018/TT-NHNN

34. Other duties and powers as authorized, assigned and decentralized according to the resolutions of the General Meeting of Shareholders and the Bank's Charter and legal regulations (if any).

Unless provided by law and the Charter, the Board of Directors may authorize subordinate employees and other executives to act on behalf of the Bank.

**Article 47. Rights and obligations of Chairman and Members of Board of Directors**

**1. Chairman of Board of Directors has the following rights and obligations:**

- a. To set up programs and operational plans of the Board of Directors;
- b. To prepare or organize the preparation of the program, contents, documents of the meetings; to convene and preside meetings of the Board of Director;
- c. To organize on approving decisions of the Board of Directors;
- d. To supervise the implementation of the decisions of Board of Directors;
- e. To act as the chairman of the General Meeting of Shareholders;
- f. To ensure that members of the Board of Directors shall receive complete, objective, accurate information and have sufficient time for discussing issues to be considered by the Board of Directors;
- g. To assign duties to members of the Board of Directors. The specific duty assignment to each member must be made in writing and signed by the Chairman of the Board of Directors;
- h. To supervise members of the Board of Directors in performing their assigned tasks and exercising their general duties and powers;
- i. To evaluate, at least once per year, the working efficiency of each member, each committee of the Board of Directors, and report the results of such evaluations to the General Meeting of Shareholders;
- j. In case the Chairman of Board of Directors is absent, he/she shall authorize in writing another member to exercise power and duties of Chairman in accordance with the principles regulated in this Charter. In case the Chairman is absent without granting authority to any member or the Chairman is unable to work, other members shall elect one of them by principle of majority to temporarily act as the Chairman of the Board of Directors;
- k. Chairman of Board of Directors shall have responsibility to ensure that the Board of Directors shall send annual financial statements, reports on the operation of the Bank, auditor reports and inspection reports of the Board of Directors to the shareholders at the General Meeting of Shareholders;
- l. Chairman of Board of Directors may be removed or dismissed in accordance with the decision of Board of Directors. In case the Chairman of the Board resigns or is dismissed, Board of Directors must elect a substitute within ten (10) days;
- m. Other power and obligations in accordance with the law (if any).

**2. *Members of the Board of Directors has the following rights and obligations:***

- a. Together with other members of the Board of Directors to administer the Bank in accordance with the Charter of the Bank and the law.
- b. To exercise duties and powers of a member of the Board of Directors in compliance with the internal regulations of the Board of Directors and the assignment of the Chairman of the Board of Directors in an honest manner for the benefit of the Bank.
- c. To study financial statements prepared by the independent auditor, to give comments or to request the manager of the Bank, independent auditor and internal auditor to explain issues relating to such statements.
- d. To elect, remove and dismiss the Chairman of Board of Directors.
- e. To request the Chairman of the Board of Directors to convene an extraordinary meeting of the Board of Directors in accordance with the law and this Charter.
- f. To attend the meetings of the Board of Directors, to discuss and vote on all issues falling under the duties and powers of the Board of Directors in accordance with the law and this Charter, except for the case where voting is not allowed due to conflict of interests with such member. To be personally responsible before the law, General Meeting of Shareholders and the Board of Directors for his/her decision.
- g. To supervise the credit approval made by Board of Management for loans to Customers or Customers and their Related Persons with value from 5% of the Bank's charter capital or other value as approved by the Board of Directors.
- h. To implement the decisions of the General Meeting of Shareholders and the resolution of the Board of Directors.
- i. To give explanation on the performance of assigned tasks to General Meeting of Shareholders and Board of Directors upon request.
- j. Other rights and obligations in accordance with the law (if any).

**Article 48. Remuneration of Members of the Board of Directors**

1. Non-full-time members of the Board of Directors shall be entitled to remuneration and bonuses. Full-time members of the Board of Directors are entitled to salaries and bonuses in accordance with the Bank's Salary Regulations. The total remuneration of members of the Board of Directors and the Operational Fund of the Board of Directors shall be decided by the General Meeting of Shareholders at the annual meeting.
2. Members of the Board of Directors shall be reimbursed for expenses for meals, accommodation, travel and other reasonable expenses which are incurred when they perform their assigned duties, including costs incurred when they attend the meeting of General Meeting of Shareholders, the meeting of the Board of Directors or Board of Directors' subcommittees.
3. Members of the Board of Directors act as executives or work at subcommittees of Board of Directors or perform other tasks which are out of the scope of duties of Board of Directors

may be paid a remuneration package in the form of a lump-sum payment of wages, salaries, commissions, percentages of profits or in other forms as decided by Board of Directors.

4. The remuneration of members of the Board of Directors shall be included in the business expenses of the Bank in accordance with the law on corporate income tax and shall be presented in a separate item in the annual financial statements of the Bank and shall be reported to the General Meeting of Shareholders at the annual meeting.

**Article 49. Replacement of Members of the Board of Directors.**

1. Within a maximum fifteen (15) days from the date the Chairman of the Board of Directors automatically loses his/her capacity as a member of the Board of Directors, the members of the Board of Directors shall organize a Board of Directors meeting to elect member of the Board of Directors (meeting the criteria and conditions according to the current regulations) as the Chairman of the Board of Directors.
2. Chairman of the Board of Directors wishing to resign must submit an application to the Board of Directors. Within sixty (60) days from the receipt of such application, the Board of Directors shall hold a meeting to consider, determine and carry out the procedures of removal or dismissal and election of the Chairman of the Board of Directors in accordance with current regulations.
3. The member of the Board of Directors wishing to resign must submit an application or a written document to Board of Directors for submission to the General Meeting of Shareholders for decision.
4. Where the number of members of the Board of Directors reduces by more than one third (1/3) or is insufficient to reach the minimum number prescribed in the Charter, the Bank shall, within a period of sixty (60) days from the date on which the number of members is insufficient, perform necessary procedure to supplement the number of members of the Board of Directors.
5. In other cases, in the very next meeting of the General Meeting of Shareholders new member(s) of the Board of Directors shall be elected for replacement of the member(s) who has been removed or dismissed, or additional member(s) shall be added to ensure a sufficient number of members.
6. Persons elected to act as Chairman and members of the Board of Directors are responsible for receiving and immediately taking up the work of the elected position. The removed or dismissed Chairman and members of the Board of Directors shall hand over the work to the newly elected Chairman and members of the Board of Directors; and take individual responsibility for their decisions during their term of office.

**Article 50. Meetings of the Board of Directors**

1. In case the Board of Directors elects the Chairman, the first meeting of the term of the Board of Directors in order to elect the Chairman, and to make other decisions within its authority must be conducted within seven (07) working days from the date of completion of the

election of the Board of Directors for that term. This meeting shall be convened by the member who hold the highest number of votes. If two or more members gain the same highest number of votes, the elected members shall elect by a majority vote a person amongst them to convene the meeting.

**2. *Periodic Meetings of Board of Directors***

Chairman of Board of Directors shall convene a meeting of Board of Directors, prepare agenda, time and venue of the meeting at least seven (07) working days before expected meeting date. Chairman may convene a meeting at any time, but at least once a quarter.

**3. *Extraordinary Meetings of Board of Directors***

The Chairman of the Board of Directors must convene an extraordinary meeting, without delay unless with reasonable reason, when the following persons make a written request including the purpose and issues to be discussed:

- a. Chief Executive Officer or at least five other managers;
- b. Two or more members of the Board of Directors;
- c. Chairman of Board of Directors;
- d. Independent members of the Board of Directors;
- e. Chief Supervisor;
- f. Two thirds (2/3) members of the Supervisory Board or more;
- g. Director of SBV's HCM Branch.

4. The Chairman and members of the Board of Directors authorized by the Chairman must convene a meeting within seven (7) days from the date of receipt of a request prescribed in this Charter. If the Chairman or authorized person fails to convene a meeting, he/she shall be liable for damage caused to the Bank, except for the case where a meeting cannot be convened because of force majeure. In such case, the person making the request shall have the right to convene Board of Directors meeting, participating members of the Board of Directors shall vote to elect a chairman of the meeting.

5. Where an independent auditor makes a request, the Chairman of the Board of Directors must convene a meeting of the Board of Directors in order to discuss the audit report and the status of the Bank.

**6. *Announcement and agenda***

The Chairman of the Board of Directors or the convener of the meeting of the Board of Directors must send a notice of invitation to attend the meeting at latest 3 (three) days prior to the scheduled date of meeting. The notice of invitation must provide sufficient information about the agenda, the time and location of the meeting, issues to be discussed and decided. The notice of invitation must be accompanied with documents to be used at the meeting and voting slips for members of the Board of Directors.

The Chairman of the Board of Directors or the convener of the meeting of the Board of Directors must send a notice of invitation together with the meeting materials to members of Supervisory Board and Chief Executive Officer as well as members of the Board of

Directors. Members of Supervisory Board, Chief Executive Officers who are not members of the Board of Directors have right to attend in Board of Directors meeting and engage in the discussion but have no voting right.

An invitation can be served in letter, via telephone, by fax, electronic mail or by other means as stipulated under this Charter, and actions must be made to ensure its arrival at the contact address of each member of the Board of Directors as registered with the Bank.

**7. *The minimum number of attending members***

A meeting of the Board of Directors shall be conducted at the presence of at least  $\frac{3}{4}$  (three quarters) of the total members of the Board of Directors. In case of not directly attending the meeting, Board of Directors' members may delegate the voting power to another member of Board of Directors or send their opinion in writing.

The members of the Board of Directors may authorize another person who is not a member of Board of Directors to attend the meeting if approved by a majority of members of the Board of Directors. In this case, the authorized person attending the meeting is not allowed to vote.

Where the number of attendees fails the quorum, the meeting shall be reconvened for the second time within a period of seven (07) days from the scheduled date for the first meeting. In such case, the second meeting shall be conducted at the presence of more than half (1/2) of the total number of members of the Board of Directors.

**8. *Voting***

- a. A member of the Board of Directors shall not be entitled to vote on any contracts, transactions or proposals in which such member or his/her Related Person has an interest that conflicts or possibly conflicts with the interest of the Bank;
- b. According to Point c of this Clause, when any issues arise at a meeting of the Board of Directors regarding the level of interest of any member of the Board of Directors or regarding the voting right of any member which is not resolved by voluntary waiver by such member of his/her voting right, those issues shall be referred to the chairman of the meeting whose decision in relation to other members of the Board of Directors shall be final, except where the nature or extent of the interest of the relevant member(s) of the Board of Directors has not been properly announced;
- c. The members of the Board of Directors who benefit from a contract regulated at Article 153 and Article 167 of the Enterprise Law shall be deemed to have substantial benefits in such contract;
- d. In case of voting in writing, voting slips shall be kept in a sealed envelope and sent to the chairman of the Board of Directors meeting at least one hour prior to the scheduled opening time of the meeting. The voting slips shall be opened only in the presence of all participants in the meeting.

- 9. *Disclosure of benefit:*** The members of the Board of Directors directly or indirectly benefit from a contract or transaction that has been signed or is expected to be signed with the Bank and those members are aware of those interests, shall disclose the nature and content of such



interests in the first meetings in which Board of Directors considers the matter of signing the contract or transaction. Or members may disclose those at the first meeting of the Board of Directors held after members know that they benefit or will benefit from the related transaction or contract.

**10. Majority voting:** The Board of Directors shall approve resolutions and decisions by following the approval of the majority of the attending members of the Board of Directors (over 50%), including written ballots and votes under authorization. In case the number of affirmative votes and the number of negative votes are equal, the final decision shall belong to the side that has the opinion of the chairman of the meeting.

**11.** A member of the Board of Directors is considered attending and voting at a meeting in the following cases<sup>91</sup>:

- a. Attending and voting directly at the meeting;
- b. Authorizing another person to attend the meeting and vote as prescribed in Clause 7 of this Article;
- c. Attending and voting through online conferences, electronic voting or other electronic forms;
- d. Sending vote slips to the meeting by post, fax, or email;
- e. Sending vote slips by other means in accordance with the laws.

In case vote slip is sent to the meeting by post, voting slips shall be kept in a sealed envelope and handed to the chairman of the Board of Directors meeting at least one hour prior to the scheduled opening time of the meeting. The voting slips shall be opened only in the presence of all participants in the meeting.

**12. Meeting minutes of the Board of Directors:**

- a. All meetings of Board of Directors shall be recorded in the book of minutes and must basically include the following information:
  - i. Name, head office address, enterprise code;
  - ii. Purposes, agenda and contents of the meeting;
  - iii. Time and venue of the meeting;
  - iv. Full name of each attending member or their authorized person, full name of every absent member and reason for such absence;
  - v. Issues to be discussed and voted on at the meeting;
  - vi. Summary of opinions of participating member in chronological order;
  - vii. Voting result, specifying the members that cast votes for, against, and abstention;
  - viii. Approved decisions and the respective ratio of affirmative votes;
  - ix. Full names and signatures of the chairperson, secretary unless the chairperson or the secretary refuses to sign the minutes.

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<sup>91</sup> Clause 9 Article 30 Template of Charter, Annex 1 Circular 116/2020/TT-BTC.

- b. Where the chairperson or the secretary refuses to sign the meeting minutes which, however, is signed by all other members of the Board of Directors attending the meeting and has all the contents as prescribed from item (i) to item (viii) Point a of this Clause such minutes shall be valid.
- c. The Chairman, secretary and signatories in the meeting minutes shall jointly be liable for the accuracy and truthfulness of the minutes of the Board of Directors meeting.
- d. Minutes of Board of Directors meetings and documents used during the meetings shall be kept at the Bank's headquarters.
- e. Other matters in relation to the minutes of Board of Directors meetings shall be dealt with in accordance with Article 158 of Enterprise Law.
- f. The minutes shall be made in Vietnamese language and maybe in foreign languages with the same legal value. In case of any discrepancy between the versions of the two languages, the Vietnamese version shall prevail.
- g. The Bank shall regulate in the Internal policies of Board of Directors the cases of emergency meetings, the deadline for notice, and the form of invitation to the meeting of the Board of Directors in case of emergency meetings.

**Article 51. Executive unit of the Board of Directors**

- 1. The Board of Directors shall use the Bank' seal to perform their duties and powers.
- 2. The Board of Directors may set up committees to advise and consult the Board of Director in performing its duties and powers, provided that at least two committees shall be set up, namely the risk management committee and personnel committee. In addition, the Board of Directors may establish other committees to assist the Board of Directors by taking charge of policies on development, salary and bonus, etc. in accordance with laws on securities.<sup>92</sup> The Board of Directors shall define the duties and powers of these assisting committees.
- 3. The Board of Directors may be assisted by a secretary of the Board of Directors. The Board of Directors shall appoint and regulate the functions, duties of the secretary. The Board of Directors may dismiss the secretary at any time without prejudice to any claims against breach of labor contract between the secretary and the Bank. Two or more persons may be appointed as cosecretaries; and the functions and duties of the secretary include:
  - a. Announcing the convention of Board of Directors meetings as requested by Chairman of Board of Directors or Supervisory Board;
  - b. Recording minutes of meeting;
  - c. Providing advice on procedures of meetings;
  - d. Providing information for members of the Board of Directors, members of Supervisory Board and Shareholders;
  - e. Other tasks assigned by Board of Directors.

<sup>92</sup> Clause 1 Article 31 Template of Charter, Annex 1 Circular 116/2020/TT-BTC.

**Article 52. Authority and procedures for collecting written opinions of member of Board of Directors**

1. The Chairman decides on collecting written opinions of Board of Directors in writing.
2. The secretary of Board of Directors shall prepare opinion collection form and necessary documents related to the issues on which the opinions are to be collected. Opinion collection form and attached documents must be sent by registered mail to address of every member of the Board of Directors.
3. ***The written opinion collection form must contain the following principal particulars:***
  - a. Name, head office address, number and date of issuance of the Establishment and Operational License, Enterprise Registration Certificate of the Bank;
  - b. Purpose of collection of written opinions;
  - c. Full name and contact address of every member of the Board of Directors;
  - d. Issues on which opinions are being collected;
  - e. Voting options comprising in favor, against, or abstention;
  - f. The deadline by which the fully answered written opinion collection form must be returned to the Bank;
  - g. Full name and signature of the Chairman of Board of Directors.
4. Fully answered opinion collection forms must be signed by members of the Board of Directors and sent to the Bank in accordance with the Bank's regulations.
5. ***The secretary of Board of Directors shall count the votes and prepare vote counting minutes in the presence of at least one independent member of Board of Directors. Such a minute must cover the following major details:***
  - a. Name, head office address, number and date of issuance of the Establishment and Operational License, Enterprise Registration Certificate of the Bank;
  - b. Purpose of collection of written opinions and the concerned issues;
  - c. Total numbers of voting slips sent out, total numbers of voting slips returned, the number of valid votes and that of invalid votes. The minutes must include a list of the members of Board of Directors casting votes as an appendix;
  - d. Total number of votes in favor, votes against and abstentions on each issue;
  - e. Full names and signatures of the person in charge of vote counting and the supervisor.
6. The secretary of the Board of Directors involving in collecting written opinions of the Board of Directors and the supervisor of the vote counting shall be jointly held accountable for the truthfulness and accuracy of the vote counting minutes, and shall be jointly liable for any loss arising from a resolution adopted on the basis of untruthful or inaccurate counting of votes.
7. The vote counting minutes enclosed with approved resolutions or decisions of Board of Directors must be sent to the members of the Board of Directors within fifteen (15) days from the date the vote counting ends.

8. Written opinion collection forms which were fulfilled and returned, the vote counting minutes, the full text of the resolution which was approved and related documents enclosed with the written opinion collection forms must be archived at the head office of the Bank.
9. A decision which is approved based upon collected written opinions of the members of the Board of Directors shall have the same validity as that of a decision approved by the Board of Directors in the meeting.

## **Chapter 11**

### **CHIEF EXECUTIVE OFFICER**

#### **Article 53. Chief Executive Officer<sup>93</sup>**

1. Chief Executive Officer is the supreme executive of the Bank, supervised by the Board of Directors and Supervisory Board, shall be responsible to the laws and the Board of Directors for overseeing the Bank's daily operation.
2. The Board of Directors appoints one of its members or another person to be Chief Executive Officer and will enter into a labor contract which shall specify salary, compensation, benefits, obligations and other terms with Chief Executive Officer. The appointment, removal, dismissal and resignation of Chief Executive Officer shall be implemented in accordance with the Law on Credit Institutions and the regulations of the State Bank. Salaries, compensations and benefits of Chief Executive Officer must be reported to the General Meeting of Shareholders and recorded in the Annual Report of the Bank.
3. The term of office of Chief Executive Officer shall be determined by the Board of Directors, but not exceed 05 (five) years. The Chief Executive Officer may be re-appointed for an unlimited number of terms. The Chief Executive Officer must meet the criteria and conditions as prescribed by the laws and this Charter.
4. The Chief Executive Officer shall be assisted by Deputy Chief Executive Officer(s), Chief Accountant, equivalent title holders and other functional divisions. The Board of Directors specifies structure, function, duties of functional division assisting Chief Executive Officers.
5. The Deputy Chief Executive Officer(s) shall manage one or more business areas of the Bank as assigned by Chief Executive Officer. The Chief Accountant shall assist the Chief Executive Officer in directing the implementation of accounting and statistic activities of the Bank and shall have the right and obligation as prescribed by the laws.

#### **Article 54. Appointment, removal and dismissal of the Chief Executive Officer**

1. The process, procedures, dossiers of application for change and approval for proposed personnel for election, appointment, discharge, dismissal from office of Chief Executive Officer shall comply with the State Bank's regulations<sup>94</sup>.

<sup>93</sup> Article 48 Law on Credit Institutions.

<sup>94</sup> Circular 22/2018/TT-NHNN.

2. The Chief Executive Officer, once the appointment decision is made by the Board of Directors, is immediately responsible for the work of the newly appointed position; the former Chief Executive Officer shall be responsible for handing over the work to the new Chief Executive Officer and shall be personally responsible for the former's decisions during the former's term of office.
3. In cases Chief Executive Officer is identified by the competent State authorities as having signs of serious violation of law, the State Bank's regulations and this Charter, the Board of Directors may temporarily suspend the executive power of the Chief Executive Officer, designate concurrently a Deputy Chief Executive Officer to oversee the Bank's operations to ensure the Bank's stability and continuity, and report in writing proposing remedies for violations committed by the Chief Executive Officer to the the State Bank in accordance with prevailing regulations.
4. During the vacancy of the Chief Executive Officer position, Chairman and members of the Board of Directors, Chief and members of Supervisory Board shall be fully responsible to the laws and the shareholders for all activities of the Bank.
5. The Chief Executive Officer is responsible to the Board of Directors and General Meeting of Shareholders for the performance of assigned duties and powers and must report to these bodies upon request.
6. The Board of Directors may dismiss the Chief Executive Officer when such dismissal is approved by the majority of Board Members having the right to vote in a Board of Directors' meeting and appoint the new Chief Executive Officer to replace the current Chief Executive Officer.

**Article 55. Powers and duties of the Chief Executive Officer<sup>95</sup>**

1. To organize the implementation of Resolutions and Decisions of the General Meeting of Shareholders and the Board of Directors.
2. To decide on matters related to daily business activities of the Bank under his/her authority.
3. To establish and maintain and develop an efficient internal control system.
4. To prepare and submit financial statements to the Board of Directors for approval or for reporting to competent bodies for approval; to take responsibility for the accuracy and truthfulness of financial statements, statistical reports, finalized statistics and other financial information.
5. To issue internal regulations, professional processes and procedures in accordance with his/her power to operate business administration, information reporting systems.
6. To report on the Bank's business activities and results to the Board of Directors, Supervisory Board and General Meeting of Shareholders and competent state agencies.

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<sup>95</sup> Article 49 Law on Credit Institutions.

7. To make decisions on measures exceeding his or her authority in cases of such events as act of gods, epidemic, fire or incidents and to be liable for such decisions, and then promptly report to the Board of Directors.
8. To recommend and propose to the Board of Directors or the General Meeting of Shareholders organizational and operational structure of the Bank for their decisions within their power.
9. To request the Board of Directors to convene extraordinary meetings in accordance with this Charter.
10. To appoint, to dismiss, or to remove managerial positions and executives in the Bank, except for the positions and executives falling within the power of the Board of Directors and the General Meeting of Shareholders.
11. To enter into contracts in the name of the Bank in accordance with the Bank's Charter and internal regulations.
12. To propose plans for use of profits and dealing with losses in business of the Bank.
13. To recruit employees, decide their salary and bonus in accordance with his/her power.
14. To perform other rights and obligations in accordance with the law, this Charter, internal rules of the Bank, decisions of the Board of Directors and labor contract signed with the Bank.

## **Chapter 12**

### **SUPERVISORY BOARD<sup>96</sup>**

#### **Article 56. Composition and term**

1. Supervisory Board shall conduct internal audit, inspect and assess the observance of law, internal regulations, Charter, Resolutions and Decisions of the General Meeting of Shareholders and the Board of Directors.
2. The Supervisory Board shall comprise at least 03 members, but at least 1/2 (half) of the total members shall be full-time members who do not concurrently hold another position nor perform other works at the Bank or another enterprise.
3. Supervisory Board has an execution unit, an internal audit function, and may use the Bank's resources or outsourced specialists and organizations to perform its tasks.
4. The term of office of the Supervisory Board shall not exceed 05 years. The office term of members of Supervisory Board follows the term of Supervisory Board. Members of the Supervisory Board may be elected or re-appointed for an unlimited number of terms. The office term of an added or replaced member of Supervisory Board is the remaining term of

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<sup>96</sup> Article 44, 45, 46, 47 Law on Credit Institutions and Article 37 Template of Charter, Annex 1 Circular 116/2020/TT-BTC.

Supervisory Board. Supervisory Board of the previous term shall operate until Supervisory Board of the new term takes over its work.

5. Where the number of the Supervisory Board's members reduces by more than one third (1/3) of the total number of members designed for that term or fails the minimum required number of members prescribed in this Charter, then the Bank shall, within a period of sixty (60) days from the date on which the number of members is insufficient, elect supplement member(s).

**Article 57. Powers and Duties of the Supervisory Board**

1. To supervise the compliance with the laws and the Charter of the Bank during the management and administration of the Bank; to be liable before the General Meeting of Shareholders for performance of the assigned rights and duties;
2. To issue internal rules of Supervisory Board; to review periodically on yearly basis such internal rules, the important policies of accounting and reporting;
3. To appoint, remove, discipline and suspend positions within the internal audit section and to make decisions on the amount of salaries and other benefits for such positions<sup>97</sup>.
4. To perform internal audit function; to have the right to use independent advisors and access to and be promptly provided with sufficient and accurate information and documents with respect to the management and oversight of the Bank in order to perform its assigned duties and powers.
5. To assess semi-annual and annual financial statements of the Bank; to report to the General Meeting of Shareholders on the results of the assessment of financial statements, of the evaluation of the rationality, legality, truthfulness and prudence in the accounting and statistical work, and the preparation of financial statements. The Supervisory Board may consult the Board of Directors prior to its submission of reports and proposals to the General Meeting of Shareholders.
6. To inspect books of account, other documents and the management and oversight of the Bank when considering necessary, or pursuant to a Resolution or decision of General Meeting of Shareholders or upon petition of a major shareholder or a group of major shareholders in according with the laws. The Supervisory Board shall inspect within seven (07) working days of the receipt of the request. The Supervisory Board shall, within fifteen (15) days as from the ending date of the inspection, submit an explanatory report on the issues under the required inspection to the institutional or individual petitioner.
7. To promptly notify the Board of Directors of any violation of any managerial member, to and request the offender to stop such violation and work out resolution to rectify the consequence, if any.

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<sup>97</sup> Clause 9 Article 1 Law on amendment and supplementation to Law on Credit Institutions

8. To prepare the list of the founding shareholders, major shareholders and the related persons of the members of the Board of Directors, members of Supervisory Board, the Chief Executive Officer of the Bank; to archive and update any change to the list.
9. To request the Board of Directors to hold extraordinary meetings or convene extraordinary meetings of the General Meeting of Shareholders in accordance with provisions of this Charter.
10. To convene extraordinary General Meeting of Shareholders in case the Board of Directors conducts any decision which seriously violates the law or which is beyond its powers and other cases according to the Charter of the Bank.
11. Other rights and duties prescribed by this Charter and the laws (if any).

**Article 58. Powers and Duties of Chief and members of Supervisory Board**

**1. Powers and Duties of Chief Supervisor<sup>98</sup>:**

- a. To arrange for the performance of duties and powers of the Supervisory Board in accordance with this Charter.
- b. To prepare the agenda of meetings of the Supervisory Board on the proposal of members of such board relating to duties and powers of the Supervisory Board; and to convene and chair meetings of the Supervisory Board.
- c. To sign documents within the authority of the Supervisory Board on behalf of such board.
- d. To convene extraordinary General Meeting of Shareholders in accordance with Article 57 of this Charter or request Board of Directors to hold extraordinary Board of Directors' meetings on behalf of Supervisory Board;
- e. To attend the Board of Directors' meeting, raise opinions but not to vote.
- f. To request that his/her opinions will be recorded in the minutes of meeting of the Board of Directors if his/her opinion is different from resolutions or decisions of the Board of Directors and to report it to General Meeting of Shareholders.
- g. To prepare work plan and assign tasks to members of Supervisory Board.
- h. To ensure that members of the Supervisory Board shall receive complete, objective, accurate information, and have enough time to discuss the issues to be considered by the Supervisory Board.
- i. To supervise and instruct members of the Supervisory Board in performing their assigned tasks and exercising the duties and powers of the Supervisory Board member.
- j. To authorize one of the members of the Supervisory Board to assume duties of the Chief Supervisor during his/her absence.
- k. Other rights and duties as prescribed by this Charter and the law (if any).

**2. Powers and Duties of members of the Supervisory Board**

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<sup>98</sup> Article 46 Law on Credit Institutions.



- a. To comply with laws, this Charter and internal rules of Supervisory Board with honesty and care, for the benefits of Bank and Shareholders.
  - b. To elect a member of the Supervisory Board to be the Chief Supervisor of Supervisory Board.
  - c. To request the Chief Supervisor to hold extraordinary meetings of the Supervisory Board.
  - d. To administer business activities, verify books of accounting, assets, financial statements, and propose remedial action.
  - e. To have the right to request officers, employees of the Bank to provide statistics and explanation on business activities in order to perform their assigned duties.
  - f. To report to the Chief Supervisor of the Supervisory Board on the unusual financial activities and to be personally liable for their assessments and conclusions;
  - g. To attend meetings of the Supervisory Board, discuss and vote on the issues under the rights and powers of Supervisory Board, except when there exists a conflict of interest.
  - h. Other rights and duties as prescribed by the Bank's Charter and the laws (if any).
3. Full-time members of Supervisory Board, members who are not shareholders shall be entitled to remuneration under the decisions of General Meeting of Shareholders and other members of the Supervisory Board are entitled to public remuneration. The remuneration and public remuneration are decided by General Meeting of Shareholders. Members of Supervisory Board are provided with other reasonable expenses during their performance of the assigned tasks. The total public remuneration (salary or remuneration and other expenses during the performance of the assigned tasks) paid to members of Supervisory Board and public remuneration received by each member of the Supervisory Board shall be recorded in details in the annual report of the Bank.
4. The members of the Board of Directors, Chief Executive Officer and members of the Board of Management must provide all information and documents related to the Bank's operations at the request of the Supervisory Board. The secretary of the Board of Directors must ensure that all the duplicates of financial information and other information provided to the members of the Board of Directors as well as minutes of the meeting of the Board of Directors must be provided for members of Supervisory Board at the same time they are provided for the Board of Directors.

#### **Article 59. Replacement of members of the Supervisory Board**

1. Status as a member of the Supervisory Board shall automatically be lost or removed or dismissed in accordance with Articles 39 and 40 of this Charter. The order, procedures, dossiers of application for change and approval of the election, appointment, removal or dismissal of the Chief Supervisor and members of the Supervisory Board shall be in accordance with the State Bank's regulations.<sup>99</sup>

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<sup>99</sup> Circular 22/2018/TT-NHNN.

2. No later than fifteen (15) days from the date the Chief Supervisor automatically loses the status as a member of the Supervisory Board, the members of the Supervisory are responsible to hold a meeting of the Supervisory Board to elect one of members of the Supervisory Board (who satisfies the criteria and conditions provided by the current regulations) to be the Chief Supervisor. In case the remaining members of the Supervisory Board are not shareholders, the remaining members of the Supervisory Board shall delegate one of members of Supervisory Board who meets criteria of professional ethics, management competence and professional qualifications as prescribed by the State Bank's regulations to temporarily handle the tasks of the Chief Supervisor and request the Board of Directors to convene the General Meeting of Shareholders within sixty (60) days from the date the Chief Supervisor loses the member status to elect additional member of the Supervisory Board among the shareholders of the Bank to replace and carry out procedures for electing the Chief Supervisor.
3. The Chief Supervisor wishing to resign must submit an application to the Board of Directors and the Supervisory Board. Within sixty (60) days of receipt of such application, the Supervisory Board shall hold a meeting to consider, determine and carry out the procedures of removal or dismissal and election of the Chief Supervisor in accordance with current regulations. In case the remaining members of the Supervisory Board are not shareholders of the Bank, the Supervisory Board within sixty (60) days (from the date of receipt of the application for resignation of the Chief Supervisor) shall request the Board of Directors to convene the General Meeting of Shareholders to determine the appropriate number of members of the Supervisory Board as provided in this Charter and to elect members of the Supervisory Board amongst the shareholders of the Bank, and carry out procedures for electing the Chief Supervisor.
4. Any member of the Supervisory Board wishing to resign must submit an application to the Board of Directors and the Supervisory Board, which shall be presented to the General Meeting of Shareholders for its decision at the nearest meeting.
5. In the event the number of members of the Supervisory Board reduces by more than 1/3 (one third) of the total number of the members selected for that term or to below the minimum number of members prescribed in this Charter, then the Supervisory Board shall, within a period of sixty (60) days from the date on which the number of its members becomes insufficient, shall request the Board of Directors to convene the General Meeting of Shareholders to elect additional member(s).
6. In other cases, in the nearest next meeting of the General Meeting of Shareholders new member(s) needed for replacement of the member(s) being removed or dismissed, or for addition to the Supervisory Board shall be elected to ensure a sufficient number of members of the Supervisory Board.

**Article 60. Meetings of Supervisory Board**

1. **Periodic Meetings:** The Supervisory Board shall hold its meetings regularly at least once every quarter and an extraordinary meeting may be convened to promptly handle extraordinary work.
2. **Extraordinary Meetings:** Extraordinary Meetings of Supervisory Board shall be held at the request of:
  - a. Chairman of Board of Directors;
  - b. At least two-thirds of the members of the Board of Directors;
  - c. Chief Supervisor of Supervisory Board;
  - d. At least two-thirds of the members of the Supervisory Board;
  - e. Chief Executive Officer or other persons regulated by this Charter;
  - f. Director of the State Bank, Ho Chi Minh Branch.
3. The Chief Supervisor shall, within fifteen (15) days of receipt of the written request for an extraordinary meeting from any of the persons set out in points a, b, d, e, Clause 2 of this Article, convene and conduct the extraordinary meeting. If, after two consecutive requests, the Chief Supervisor fails to convene any meeting, the Board of Directors and members of the Supervisory Board shall report in writing to the State Bank's HCMC Branch and conduct a meeting of Supervisory Board to resolve issues, determine on the removal and dismissal of the Chief Supervisor, elect a member of the Supervisory Board meeting all conditions to be the Chief Supervisor in accordance with current regulations, seek for the State Bank's approval for the proposed elected or appointed personnel in accordance with the current regulation<sup>100</sup>, or conduct an extraordinary meeting of the General Meeting of Shareholders to deal with outstanding issues (if any).
4. **Venue:** The meetings of the Supervisory Board will be held at the registered address of the Bank.
5. **Notice and meeting agenda:** The Supervisory Board meeting shall be held after five (5) days from the date of sending notices to the members of the Supervisory Board. The notice of the meeting of the Supervisory Board shall be written in Vietnamese clearly stating the agenda, time and venue and accompanied by necessary documents on matters to be discussed and voted at the Supervisory Board meeting and voting slips for the members of Supervisory Board who cannot attend the meeting. These members of the Supervisory Board will send voting slips to the Supervisory Board before the meeting.
6. **The minimum of attending members:** A meeting of the Supervisory Board shall be conducted at the presence of at least  $\frac{3}{4}$  (three quarters) of the total members of the Supervisory Board. In case of not directly attending the meeting, Supervisory Board's members may delegate their voting right to another member of Supervisory Board or send in written opinions. In case of voting in writing, voting slips shall be kept in a sealed envelope and sent to the chairman of the meeting at least one hour prior to the scheduled

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<sup>100</sup> Circular 22/2018/TT-NHNN.

opening time of the meeting. The voting slips shall be opened only in the presence of all participants in the meeting.

**7. Voting:**

- a. Each member of the Supervisory Board attending the meeting of the Supervisory Board shall have one vote at the meeting. Any member who is unable to attend the meeting may authorize in writing another member (who is permitted to vote) to exercise the former's voting right on the former's behalf.
- b. Any member of the Supervisory Board whose interests are related to any issue to be submitted to the Supervisory Board for determination shall not be permitted to vote on such issue and to be counted as the voting members in the meeting; nor to vote on such issue as a proxy of any other member of the Supervisory Board.
- c. If any doubt arises at a meeting in relation to the interests of members of the Supervisory Board or to the voting rights of such members and cannot be resolved by voluntary waiver by such member of his/her voting right, such doubt shall be referred to the chairman of the meeting. The decision of the chairman shall be final, except where the nature or scope of the interest of the relevant member(s) of the Supervisory Board has not been known well.
- d. Any member of the Supervisory Board who is related to any contract set out in *Clause 1, Article 167 of Law on Enterprise* or the similar contents in documents as heirs thereof and other guiding documents shall be considered to have material interests in such contract.

**8. Disclosure of benefits:** To their best knowledge, members of Supervisory Board who find themselves related, whether directly or indirectly, to an existing contract, transaction or to a contract or transaction expected to be executed with the Bank shall disclose the nature and content of the interests related thereto in a meeting of Board of Directors and of Supervisory Board where the Board of Directors and Supervisory Board shall considers the feasibility of signing such contract or transaction, and in case the realization of such interests happens after wards or in other circumstances, the disclosure must be made by that members at the nearest meeting of the Board of Directors and meeting of Supervisory Board after they know that they have got such related benefit.

**9. Majority voting:** A decision of the Supervisory Board shall be approved if it is approved by the majority of the members of Supervisory Board having the right to vote and attending the meeting. In case of the equal numbers of votes, the final decision shall be made in favor of the opinion supported by the Chief Supervisor or member of Supervisory Board who is authorized by Supervisory Board to be the Chairman of the meeting (in case the Chief Supervisor is absent).

**10.** In case the Supervisory Board collects written opinions to pass any decision on any issue, such decision shall have the same effect as that of decision passed by the members of the Supervisory Board at any meeting which is convened and conducted in normal manner, if:

- a. such decision is passed by way of written opinions with the affirmative votes of the majority of members of the Supervisory Board with voting rights
- b. The number of members of the Supervisory Board having the right to vote must meet the conditions on the number of members required to conduct the Supervisory Board meeting.

**11. Meeting minutes:** All meetings of the Supervisory Board shall be fully recorded in the book of minutes. The minutes shall be made in Vietnamese and signed by all members of the Supervisory Board attending the meeting, and such members shall be jointly liable for the accuracy and honesty of the minutes. The chairman of the meeting has the responsibility to prepare and distribute the minutes of the Supervisory Board meeting to all members of the Supervisory Board and such minutes shall be considered as conclusive evidences of the procedures carried out in the meeting, unless there is any objection to the content of the minutes within ten (10) days of the distribution.

## **Chapter 13**

### **ORGANIZATIONAL STRUCTURE OF THE BANK**

#### **Article 61. Network organizational structure of the Bank <sup>101</sup>**

1. *Organizational structure of the Bank is as follows:*
  - a. Headquarters (Head office);
  - b. Branches, representative offices, transaction offices, business units and subsidiaries.
2. The Bank is allowed to open branches, representative offices, business units and subsidiaries when it has demand and meets the State Bank's regulations. The above organizational structure is decided by the Board of Directors in accordance with the law.

#### **Article 62. Management structure of the Bank**

The Head office of the Bank includes:

1. Board of Directors;
2. Supervisory Board;
3. Chief Executive Officer

#### **Article 63. The execution units of the Chief Executive Officer**

1. Deputy Chief Executive Officers and equivalent titles;
2. Chief Accountant;
3. Functional Departments, Divisions and Teams.

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<sup>101</sup> Article 30 Law on Credit Institutions.

## **Chapter 14**

### **RIGHT TO INSPECT BOOKS AND DOCUMENTS OF THE BANK**

#### **Article 64. Right to inspect books and documents**

1. Major shareholders may directly or through a lawyer or authorized person, in writing, verify the list of Shareholders of the Bank and minutes of the General Meeting of Shareholders during working hours at the Bank's head office and copy or extract such documents. A request from authorized person must be accompanied by an authorization letter of the shareholder to whom he/she represents or a notarized duplicate of this authorization letter.
2. The members of Board of Directors, members of Supervisory Board, the Chief Executive Officer and other members of the Board of Management have the right to check the General Ledger of the Bank, the list of shareholders and other documents of the Bank for the purposes related to their duties and powers, provided that they shall keep confidential such information.
3. The Bank shall keep this Charter and its amendments and supplements, the Establishment and Operation License, the Enterprise Registration Certificate, the regulations, the documents proving the ownership on assets, audited financial statements by independent auditors, the minutes of the General Meeting of Shareholders and the Board of Directors meeting, reports of the Supervisory Board, accounting books and other documents as prescribed by Law at the head office or another place within the business area of Head office, provided that the shareholders and the business registration authority are informed about the location where these documents are stored.
4. Each shareholder has the right to receive a copy of this Charter on the basis of free of charges. This Charter will be published on the website of the Bank.

## **Chapter 15**

### **EMPLOYEES AND TRADE UNION**

#### **Article 65. Employees and trade union**

The Chief Executive Officer shall develop regulations relating to the recruitment, hiring, dismissal, salary, social insurance, welfare, bonus and discipline applicable to the Bank's staff as well as relationship between the Bank and trade union to report to Board of Directors for consideration and submission to the General Meeting of Shareholders for approval.

## **Chapter 16**

### **PROFIT DISTRIBUTION**

**Article 66. Dividend<sup>102</sup>**

1. The Bank is only entitled to pay dividends to shareholders when it is profitable and have fulfilled their tax obligations and other financial obligations as prescribed by law.
2. According to the decision of the General Meeting of Shareholders and the provisions of law, dividends will be announced and paid from the remaining profit of the Bank but not exceed the amounts proposed by the Board of Directors on the basis of truthfulness after collecting the shareholders' opinions at the General Meeting of Shareholders. The Board of Directors shall prepare a list of shareholders to receive dividends, determine dividends to be paid for each class of shares, time and form of payment, at least thirty (30) days prior to each dividend payment. Notice of dividend payment must be publicly available to Shareholders no later than fifteen (15) days prior to the date of dividend payment. The notice must contain the following information:
  - a. Name of the Bank and its head office address;
  - b. Full name, contact address, nationality, number of legal papers of individual for individual shareholders;
  - c. Name, enterprise code or number of legal papers of organization, address of the head office for institutional shareholder;
  - d. Number of shares of each class of a shareholder, the dividend rate for each share and the total number of dividends that the shareholder is awarded;
  - e. Time and method of dividend payment;
  - f. Full name and signature of the Chairman of the Board of Directors and of the legal representative of the Bank.
3. The Bank shall not pay interest on any dividends or any other sums payable in connection with a share certificate.
4. Any dividend or other cash payments related to a share certificate shall be made in Vietnam Dong and may be paid by cheque or payment order to the registered address of the beneficial shareholder and the shareholder must bear the risk. In addition, any dividend or other cash payments related to a share certificate can be made via bank transfer when the Bank has been provided with details of shareholder's bank account allowing the Bank to transfer of such sum of money directly to the bank account of the shareholder. The Bank shall not be reclaimed for any sum paid via bank transfer, but not received by beneficiary shareholders if the Bank has made the transfer to right bank account provided by such shareholders.
5. Those who have officially registered to hold shares or other securities are entitled to receive dividends, distributions, notices or documents.
6. The transferors who are shareholders transferring their shares within the period from date of completion of list of shareholders to receive dividends till the date of dividend payment, will be the recipient of dividends from the Bank.

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<sup>102</sup> Article 135 Enterprise Law 2020

## **Chapter 17**

### **INTERNAL AUDIT SYSTEM, INTERNAL CONTROL SYSTEM, RESERVE FUNDS, FINANCIAL YEAR AND ACCOUNTING SYSTEM**

#### **Article 67. Internal audit system<sup>103</sup>**

1. The Bank's internal audit shall be organized into a unified system by vertical organizational structure, and shall be the specialized unit responsible for conducting internal audit activities of the Bank and directly reporting to Supervisory Board.
2. Internal audit shall conduct independent and objective reviews and assessments on the internal control system; independent assessment on the appropriateness and compliance with internal regulations, policies and procedures established by the Bank; make recommendations to improve the efficiency of systems, processes and regulations, contributing to ensuring safe, effective and law-abiding operation of the Bank.
3. Internal audit results must be promptly reported to the Board of Directors and the Supervisory Board and sent to the Chief Executive Officer of the Bank.
4. Based on the size, scale and characteristics of the Bank's operations, and proposal of the Supervisory Board, the Board of Directors shall decide on the organization of the internal audit apparatus, salary, bonus and allowances policies for internal audit personnel.

#### **Article 68. Criteria, appointment and dismissal of titles of Internal Audit**

##### **1. Internal auditors must meet all of the following criteria<sup>104</sup>:**

- a. Upholding qualifications of honesty, sense of law observance and objective thought;
- b. Holding bachelor degree or post-graduate degree in one of the following disciplines: economics, business administration, law, accounting or auditing; having bachelor degree or post-graduate degree in information technology or any other discipline that is suitable for technology auditors;
- c. Having at least 02 years direct working experience in the banking, financial, accounting, auditing industry; at least 02 years working experience in the information technology industry for technology auditors;
- d. Being able to collect, analyze, evaluate and compile information;
- e. Having knowledge of and skills in internal auditing;
- f. Other qualifications as required by the Bank.

In addition to the above requirements, the Head of Internal Audit and the Deputy Head of Internal Audit must have at least 03 (three) years of working experience in the banking, financial, accounting or auditing industry.

<sup>103</sup> Article 41 Law on Credit Institutions.

<sup>104</sup> Clause 2 Article 66 Circular 13/2018/TT-NHNN.



**2. Appointment and dismissal of titles of Internal Audit<sup>105</sup>**

The Head of Internal Audit of the Bank is appointed and removed by the Supervisory Board at the proposal of the Chief Supervisor.

The Deputy Head of Internal Audit and other titles of internal audit shall be appointed and removed by the Supervisory Board at the proposal of the Head of Internal Audit.

**Article 69. Responsibilities of the Internal Audit Department<sup>106</sup>**

1. To establish the internal audit process at the Bank and submit it to the Supervisory Board for consideration and approval after reporting it to the Board of Directors.
2. To develop annual internal audit plans and conduct internal audit activities according to the approved plans, policies, procedures and internal audit procedures, ensuring quality and efficiency.
3. To check, review and evaluate independently and objectively all units, departments and operations of the Bank (mechanisms, policies, procedures, processes or issues in operation) based on the level of risk (high, medium or low) and the degree of impact on the Bank's operations. For all matters that may have an adverse effect on the Bank's operations, the internal auditor should promptly notify the nature and impact of such matters to the Bank's operations and make recommendations to prevent and remedy these problems.
4. To propose remedies and address errors; to propose the dealing of violations; to propose measures to improve and enhance the efficiency and effectiveness of the internal inspection and control system.
5. To assess the suitability of activities to prevent and address reported weaknesses; activities to improve the internal inspection and control system; and to monitor until these issues are handled satisfactorily.
6. To prepare audit reports; timely inform and submit internal audit results to relevant parties inside and outside the Bank in accordance with the policies, procedures and regulations of the Bank and the laws.
7. To develop, amend, supplement and complete the internal audit method and the scope of internal audit activities so as to be able to update, keep up with developments in banking activities.
8. To implement procedures to ensure the quality of internal audit works.
9. To establish personnel qualifications and job requirements for internal auditors as basis for recruitment, promotion and transfer of officials and professional fostering; to plan and regularly organize training activities to improve and ensure the professional competence of internal auditors.

<sup>105</sup> Clause 9 Article 1 Law on amendment and supplementation to Law on Credit Institutions.

<sup>106</sup> Article 18 Circular 44/2011/TT-NHNN.

10. To maintain regular consultations and discussion with the independent audit organization and the State Bank's inspectors to ensure effective cooperation; to coordinate with external agencies in matters related to the functions and tasks of the internal audit.
11. To fulfill requests of the State Bank, independent auditing firms and other relevant authorities about internal audit.<sup>107</sup>
12. To advise the Board of Management, the Board of Directors and function departments on the development, implementation and amendment of major operational procedures; governance mechanism; procedures for risk identification, assessment and management; method for capital assessment; information, accounting and booking system; performance of new operations and products provided that they do not affect the independence of internal audit work.
13. To maintain confidentiality of documents and information in accordance with prevailing regulations, this Charter and the internal regulations on internal audit of the Bank.
14. To be responsible to the Supervisory Board for the results of the internal audit work, the evaluations, conclusions, petitions, proposals in the internal audit reports.
15. To follow up the results of the implementation of recommendations after the internal audit of the units and department of the Bank.

**Article 70. Powers of the Internal Audit**

1. To be fully equipped with resources (human, finance and other resources) needed.
2. To take the initiative in performing their tasks according to the approved audit plan.
3. To be fully and promptly provided with all information, documents and dossiers necessary for the internal audit work.
4. To access to and review all business processes and assets when conducting internal audit.
5. To access to and interview all officers and employees of the Bank on issues related to audit content.
6. To have the right to attend meetings and receive meeting minutes of the Board of Management related to the work of the internal audit.
7. To supervise, evaluate and monitor the correction, improvement and perfection activities by the leaders of the units and department for the matters which the internal audit has recorded and recommended.
8. Other powers prescribed by law and the State Bank's guidance.

**Article 71. The internal control system<sup>108</sup>**

1. The Bank shall set up an internal control system to assist the Chief Executive Officer execute smoothly, safely and lawfully in all operations of the Bank.

<sup>107</sup> Point d Clause 2 Article 68 Circular 13/2018/TT-NHNN.

<sup>108</sup> Article 5 Circular 44/2011/TT-NHNN.

2. The internal control system is a set of internal mechanisms, policies, procedures, internal regulations and organizational structure of the Bank which is developed in accordance with guidelines of the State Bank and implemented in order to ensure timely prevention, detection and handling of risks and to achieve the set requirements.
3. The internal control mechanism shall be designed, installed and implemented in all professional processes at all units and departments of the Bank.
4. The Bank regularly check and control the compliance with laws and internal regulations; directly inspect and supervise professional operations in all aspects at head offices, branches, representative offices, business units and subsidiaries

**Article 72. Requirements and operation principles of the internal control system<sup>109</sup>**

1. Any risks that may have an adverse effect on the Bank's performance and objectives must be identified, measured and evaluated regularly and consecutively for timely detection, prevention and appropriate risk management measure. Whenever there is a change in business objectives, products, services and new business activities, the Bank must review and identify related risks to develop, amend and supplement appropriate mechanism, procedures and regulations on internal control processes.
2. Internal inspection and control activities are the integral parts of the Bank's daily operations. The internal control and supervision mechanism are designed, set up, organized and implemented in every business process, at all units and departments of the Bank in accordance with the law, the State Bank's regulations and internal regulations.
3. Mechanisms of authorization must be established, implemented in a reasonable, concrete and clear manner, avoiding conflicts of interest; ensuring that an officer at the same time is not responsible for many positions or tasks which lead to conflict of interest or overlap; ensuring that all staffs in the Bank have no conditions to manipulate the Bank's operation and conceal information for personal purposes or hide acts in violation of law and internal regulations.
4. Compliance with the recording and accounting according to regulations must be upheld and a reasonable, reliable and timely internal financial information system on the operation and compliance of the Bank and the economy, market situation must be set up for the effective management and administration.
5. The Bank's information and information technology system shall be monitored and protected in a rational and safe manner and must have an independent back-up management mechanism to deal with unexpected problems timely such as natural calamities, fire, explosion, etc. to ensure continuity business activities of the Bank.
6. The Bank issues internal regulations on the responsibilities of its officers and employees in the inspection and control of the Bank's activities in accordance with law.

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<sup>109</sup> Article 4 Circular 44/2011/TT-NHNN.

The Bank's information and information systems must be properly and safely supervised and protected with an independent backup management mechanism (back-up) which can promptly handle unexpected situations such as natural disasters, fire, explosion ... to ensure regular and continuous business operations of the Bank.

The Bank promulgates internal regulations on the responsibilities of the Bank's officers and employees related to the Bank's inspection and control activities in accordance with the laws.

7. Controls activities by the Bank's headquarters over its branches and other affiliates shall ensure that<sup>110</sup>:
  - a. The headquarters shall supervise and control transactions and activities of the branches and other affiliates, also including the supervision and control through individuals and departments carrying out control activities in those branches and affiliates;
  - b. There are regulations on functions, tasks, report mechanism, salary, reward, discipline, staff transfer and other mechanisms in order to ensure independent and interest-conflict free quality of individual or department carrying out control activities at such branches and affiliates with respect to other individuals and departments of the same branches and affiliates; and
  - c. There are mechanisms that allow customers to review, check and compare transactions carried out at the Bank's branches and affiliates to those carried out at the Bank's headquarters.

**Article 73. Financial regime<sup>111</sup>**

1. The Bank shall comply with the financial regime as prescribed by the Government and the Ministry of Finance's guidance.
2. The annual finalization reports have to comply with the law, regulations of the State Bank and the State Securities Commission. Figures in the report shall ensure the truthfulness and objectivity of the Bank's operations until the reporting date.

**Article 74. Capital utilization**

1. Banks may use capital to serve its business activities, investment in construction and procurement of fixed assets according to the regulations.
2. The Bank is entitled to change the structure of capital and assets for its development purpose in accordance with the legal regulations.
3. The Bank is allowed to transfer capital and assets between its subsidiaries which have independent accounting legal entity status.

**Article 75. Purchase and investment in fixed assets<sup>112</sup>**

<sup>110</sup> Clause 2 Article 15 Circular 13/2018/TT-NHNN.

<sup>111</sup> Article 136 Law on Credit Institutions.

<sup>112</sup> Article 140 Law on Credit Institutions.

The Bank is allowed to purchase and invest in fixed assets which use directly to the Bank's operation for the amount of up to 50% charter capital and supplemental capital reserve of the Bank.

**Article 76. Reserve funds**

The Bank is allowed to make and maintain reserve funds from profit after tax as followings:

1. The supplemental capital reserve is made at rate of 5% of profit after tax, the maximum level of this fund must not exceed the charter capital of the Bank;
2. Financial reserve fund;
3. Other reserve funds as prescribed by law.

The Bank shall not use the above funds to pay dividends to shareholders or distribute profits to shareholders.

**Article 77. Financial autonomy of the Bank**

The Bank is financially self-control, self-responsible for its business operations, fulfilling its obligations and commitments in accordance with the law.

**Article 78. Accounting and Taxation<sup>113</sup>**

1. The Bank shall implement the accounting and statistical regulations according to the law.
2. The Bank's financial year is from 01 January to 31 December of the calendar year. The first financial year begins on the date of issuance of the Registration Certificate and ends on 31 December of the same year.
3. Bank shall set up accounting books in Vietnamese and make accounting books equivalent to the form of operation. These records are required to be accurate, up-to-date, systematic and sufficient to substantiate and explain transactions.
4. The Bank shall conduct the accounting in accordance with the accounting system as prescribed by the State Bank.

## **Chapter 18**

### **ANNUAL REPORT, RESPONSIBILITY FOR PROVISION OF INFORMATION AND NOTICE TO THE PUBLIC**

**Article 79. Financial reports and annual reports<sup>114</sup>**

<sup>113</sup> Article 137, Article 138 Law on Credit Institutions.

<sup>114</sup> Article 141 Law on Credit Institutions and Article 56 Template of Charter, Annex 1 Circular 116/2020/TT-BTC.

1. The Bank shall make financial reports in accordance with the law on accounting and statistics and shall prepare periodical professional reports in accordance with the State Bank's regulations and regulations of the State Securities Commission.
2. The annual financial statements shall include reports on business results reflecting in a truthful and objective manner about the situation of the Bank's profit/loss in the relevant financial year; financial status reports reflecting honestly and objectively the Bank's performance as of the date of preparation of the reports, statements of cash flows and the notes on the financial statements.
3. The Bank must prepare and publish the reviewed semi-annual financial statements and quarterly financial reports in accordance with the regulations of the State Securities Commission and the Stock Exchange and submit them to the relevant tax authorities and the business registration body in accordance with the provisions of the Enterprise Law.
4. The audited annual financial statements (including the auditors' opinions), the reviewed semi-annual financial statements and quarterly financial reports must be published on the Bank's website.
5. Interested organizations and individuals are entitled to inspect or copy the audited annual financial statements, reviewed semi-annual financial statements and the quarterly financial reports during the working hours at the head office of the Bank and shall pay a reasonable fee for the copy.
6. ***Apart from the periodic reports, the Bank shall immediately report to the State Bank in writing when any of following cases occurs:***
  - a. There is an abnormal development in professional activities which may cause a serious adverse effect on the business status of the Bank;
  - b. There are significant changes in the organizational structure of the Bank;
  - c. There is a change in name of a branch of the Bank; there is temporary cessation of business activities for under 05 business days; listing of stocks on the domestic securities market<sup>115</sup>.
7. Within ninety (90) days after the closing of a financial year, the Bank shall submit to the State Bank its annual reports as prescribed by the laws.
8. The Bank shall prepare and publish annual reports in accordance with relevant laws.

**Article 80. Publication and Notification<sup>116</sup>**

1. The annual financial statements and other supporting documents shall be submitted to the tax authorities and the State Bank, the State Securities Commission, the Stock Exchange and the business registration authorities. Also, these statements and documents shall be published within one hundred and twenty (120) days since the end of the financial year in accordance with the laws.

<sup>115</sup> Clause 26 Article 1 Law on amendment and supplementation to Law on Credit Institutions.

<sup>116</sup> Article 143 Law on Credit Institutions, Article 56 Template of Charter, Annex 1 Circular 116/2020/TT-BTC.

2. The Bank shall comply with the law on securities and securities market on information disclosure.

## **Chapter 19**

### **BANKING AUDIT**

#### **Article 81. Independent audit<sup>117</sup>**

1. The General Meeting of Shareholders assigns the Board of Directors to select one of these organizations to audit the financial statements of the Bank for the next financial year based on the terms and conditions agreed with the Board of Directors. The Bank shall prepare and send the annual financial statements to the independent auditing company after the end of the financial year.
2. The Bank shall, within thirty (30) days from the date of its decision selecting an independent auditing organization, notify the State Bank of such selected organization.
3. The Bank shall re-conduct an independent audit if the audit reports contain qualified opinions of independent auditing organizations.
4. The Bank's independent auditing organization shall check and certify the truthfulness and report on the basis of the Bank's annual accounting reports for receipts and expenditure of the Bank and shall prepare Audit Reports and submit them to the Board of Directors within two (02) months prior from the end of each financial year.
5. Auditors of the independent auditing organization will be allowed to attend any General Meeting of Shareholders and collect other notices and information related to any meeting which the Shareholders are entitled to receive and to express their opinions at the General Meeting of Shareholders on matters related to auditors.
6. The specific audit activities of the Bank shall be conducted in accordance with the provisions of the Law on Credit Institutions, the Law on Independent Auditor and the guiding documents of the State Bank.

## **Chapter 20**

### **SPECIAL CONTROL, REORGANIZATION, TERMINATION OF OPERATION AND LIQUIDATION**

#### **Article 82. Special Control<sup>118</sup>**

1. *Cases in which the Bank shall be placed under Special Control:*

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<sup>117</sup> Article 42 Law on Credit Institutions.

<sup>118</sup> Article 145, Article 145a and Article 146d Law on Credit Institutions (as amended and supplemented under Clause 27 Article 1 Law on amendment and supplementation to Law on Credit Institutions)

- a. It is or is in danger of being insolvent, or it is or is in danger of being unable to meet its payment obligation in accordance with the State Bank's regulations;
  - b. Accumulated losses of the Bank exceed 50% of the actual value of charter capital plus reserve funds as recorded in its most recent audited financial statements;
  - c. The Bank fails to maintain the minimum capital adequacy ratio as stipulated in Point b Clause 1 Article 13 of this Charter for 12 consecutive months; or its minimum capital adequacy ratio is less than 4% for six (06) consecutive months;
  - d. The Bank is rated weak for 02 consecutive years in accordance with the State Bank regulations.
2. When the Bank is in danger of being insolvent or of being unable to meet its payment obligation, it must promptly report to the State Bank on its actual status, reasons, the applied measures and those proposed to be taken to remedy the situation, and make proposals and recommendations to the State Bank.
  3. As from the date of the Decision on which the State Bank places the Bank under Special Control, the outstanding balance of principal and interest of refinanced loans provided by the State Bank to the Bank shall be transferred to the outstanding balance of special loans.
  4. In case of emergency, in order to ensure the capability of payment of deposits or interests to its customers or to assist the Bank's recovery in accordance with the remedial plan or plan on compulsory transfer as approved, the Bank may be provided with special loans by the State Bank, Deposit Insurance of Vietnam, Vietnam Co-operative Bank and other credit institutions in accordance with the law.
  5. Such special loans shall be prioritized for repayment over all other debts including secured debts of the Bank in the following cases:
    - a. On maturity, except when the duration of the restructuring plan has not yet been approved or when such plan is changed but the change has not yet been approved;
    - b. On dissolution or bankruptcy of the credit institution.

**Article 83. Responsibilities of the Bank, Shareholders, Board of Directors, Supervisory Board, and the Chief Executive Officer of the Bank placed under Special Control<sup>119</sup>**

1. The Bank placed under special control and its shareholders have the following responsibilities:

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<sup>119</sup> Article 146c Law on Credit Institutions (as amended and supplemented under Clause 27 Article 1 Law on amendment and supplementation to Law on Credit Institutions), Item 1a, 1b, 1c, 1d, 1d and 1e Chapter VIII Law on Credit Institutions (as amended and supplemented under Clause 28 Article 1 Law on amendment and supplementation to Law on Credit Institutions).



- a. To hire, within thirty (30) days since the date of the decision on establishing the Special Controlling Board, an independent audit organization to review and assess the actual financial status and to determine the actual value of the charter capital and reserve funds, with specific contents as requested by the Special Controlling Board for the self-assessment of the actual state of the Bank, then submit the results of its self-assessment and propose the policy on restructuring the Bank under special control.
  - b. Upon receipt of a decision on in-principle approval of restructuring the Bank placed under the Special Control from competent authorities, as requested by the Special Controlling Board, the Bank shall prepare a restructuring plan (remedial plan/plan on merger, or consolidation, or transfer of all shares /plan on dissolution/plan on compulsory transfer/plan on bankruptcy). The preparation of restructuring plan and its contents shall be in compliance with relevant provisions at Items 1, 1a, 1b, 1c, 1d, 1đ and 1e Chapter VIII Law on Credit Institutions (as amended and supplemented);
  - c. To implement the in-principle decision on the restructuring plan and supporting measures of the restructuring plan as decided or approved by the competent authority;
  - d. To implement the decisions and requests of the Special Controlling Board as prescribed in Article 146b of the Law on Credit Institutions (as amended and supplemented).
2. The Board of Directors, Supervisory Board, and the Chief Executive Officer of the Bank under special control have the following responsibilities:
- a. To undertake the duties prescribed in Clause 1 of this Article;
  - b. To manage, control and executively operate the business activities of the Bank to ensure the safety of its assets.

**Article 84. Termination of Special Control<sup>120</sup>**

*The Bank shall be entitled to terminate its special control imposed by a decision of the State Bank in one of the following cases:*

1. The Bank has remedied the situation which caused it being placed under special control and complies with the prudential ratios prescribed in Article 13 of this Charter.
2. During the period of special control, the Bank is merged or consolidated with another credit institution, or dissolved.
3. After a Judge appoints an Asset Management Officer or enterprise to manage or liquidate assets in order to conduct bankruptcy procedures of the Bank.

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<sup>120</sup> Article 145b Law on Credit Institutions (as amended and supplemented under Clause 27 Article 1 Law on amendment and supplementation to Law on Credit Institutions).

**Article 85. Management, Executive Operation and Activities of the Bank Placed Under Special Control<sup>121</sup>**

1. The Bank placed under Special Control is only allowed to do business under operational contents and scope as decided by the State Bank, except for some business activities which are suspended by the Special Controlling Board because such activities may expose the Bank to more risks or are inconsistent with the approved restructuring plan.
2. During such special control, the Bank is not required to comply with the limits on extension of credit, prudential ratios, provision for risks and purchase of and investment in fixed assets as provided in this Charter and under Articles 128, 130, 131 and 140 of the Law on Credit Institutions (as amended and supplemented) but shall implement specific decisions of the State Bank applicable to each specific case; if the amount of required provision for risks is greater than the difference between gains and expenditures from the annual business results (excluding the amount of a risk reserve provisionally established during the year), then the minimum amount required for establishment of risk reserve shall be equal to such difference.
3. The Bank placed under special control is not required to have the compulsory reserve.
4. The Bank placed under special control is exempted from paying monetary deposit insurance premiums, and fees for participation in the Fund for Ensuring Safety of the People's Credit Fund System.
5. Holding meetings of the General Meeting of Shareholders and disclosure of information by the Bank under special control shall be implemented in accordance with requests from the State Bank, in conformity with the objective of ensuring the safety of the credit institution system.
6. The number of members of and the term of office of the Board of Directors and of the Supervisory Board of the Bank under Special Control shall be decided by the State Bank, in conformity with the actual operational status of the credit institution placed under special control.

In cases where the Board of Directors, Supervisory Board of the Bank placed under special control reaches the end of its term and the Bank has not elected or appointed a new Board of Directors, Supervisory Board, then the current Board of Directors, Supervisory Board shall continue to manage and control the Bank in accordance with law.

**Article 86. Re-organization of the Bank<sup>122</sup>**

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<sup>121</sup> Article 146d Law on Credit Institutions (as amended and supplemented under Clause 27 Article 1 Law on amendment and supplementation to Law on Credit Institutions).

<sup>122</sup> Article 153 Law on Credit Institutions.

1. The Bank may be reorganized by way of separation, demerger, consolidation, merger, acquisition or conversion of legal form after obtaining written approval from the State Bank.
2. Conditions, files, order and procedures for approval for reorganization of the Bank are in accordance with the State Bank's regulation.

**Article 87. Bankruptcy**

1. After the State Bank issues a document terminating special control or a document terminating the application or a document of non-application of measures for recovery of solvency but the Bank still falls into the state of bankruptcy, the Bank is required to prepare a petition to request the Court to open the procedures for resolving a bankruptcy petition in accordance with the law on bankruptcy.
2. Bankruptcy of the Bank in accordance with the law on bankruptcy.
3. After a Judge appoints an Asset Management Officer or enterprise to manage or liquidate the assets of the Bank, the Establishment and Operational License of the Bank shall be revoked<sup>123</sup>.

**Article 88. Dissolution of the Bank**

The Bank shall be dissolved in the following cases:

1. Voluntarily applying for dissolution if it is possible to pay off all debts and be approved in writing by the State Bank;
2. Upon the expiration of their operation duration, the Bank shall not apply for extension or the extension application is not approved in writing by the State Bank; or
3. Being revoked licenses.

**Article 89. Liquidation of assets of the Bank**

1. When the Bank is declared bankrupt, the liquidation of the Bank's assets shall comply with the provisions of the Law on Bankruptcy of Enterprises.
2. When dissolving according to Article 88 of this Charter, the Bank shall liquidate under the supervision of the State Bank and in accordance with the order and procedures of asset liquidation as prescribed by the State Bank.
3. At least six (06) months before the end of the Bank's operation duration or after the Bank dissolution decision is issued, the Board of Directors must establish a liquidation committee comprising three (03) members. Two (02) members appointed by the General Meeting of Shareholders and one (01) member appointed by the Board of Directors from an independent audit company. The liquidation committee prepares its operating regulations.

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<sup>123</sup> Clause 29 Article 1 Law on amendment and supplementation to Law on Credit Institutions.

Members of the liquidation committee may be selected from among Bank employees or independent experts. All costs related to liquidation are prior to be paid by the Bank before other debts owed by the Bank.

4. The liquidation committee is responsible to report to the business registration authorities on the date of its establishment and the date of commencement of its operation. From that point, the liquidation committee shall act on behalf of the Bank in all matters relating to the liquidation of the Bank before the Court and administrative authorities.
5. The proceeds from the liquidation shall be paid in the following order:
  - a. Liquidation costs;
  - b. Wages, severance allowances, social insurance and other interests of laborers under the signed collective labor agreement and labor contracts;
  - c. Tax payable;
  - d. Other debts of the Bank;
  - e. The remainder after payment of all debts from (a) to (d) above shall be distributed to the shareholders. Preferential shares are prior to be paid.

**Article 90. Extension of operation**

1. The Board of Directors shall convene a meeting of the General Meeting of Shareholders at least seven (07) months before the expiration of the term of operation so that the shareholders may vote on the extension of the Bank's operation at the request of the Board of Directors.
2. The operation duration is extended when 65% or more of the total number of votes of shareholders with voting rights who are present in person or through their authorized representatives at the meeting of the General Meeting of Shareholders so approve.

## **Chapter 21**

### **INTERNAL DISPUTE RESOLUTION**

**Article 91. Internal Dispute Resolution**

1. Whenever a dispute or complaint relates to the work of the Bank or to the rights of Shareholders arising from this Charter or from any rights or obligations under the Law on Credit Institutions and current implementation guidelines and any other law or administrative regulations, between:
  - a. Shareholders with the Bank; or

- b. Shareholder with Board of Directors, Supervisory Board, Chief Executive Officer or other management officers of the Bank.
2. The relevant parties shall attempt to resolve such dispute by way of negotiation and conciliation. Except where such dispute relates to the Board of Directors or the Chairman of the Board of Directors, the Chairman of the Board of Directors shall preside over resolution of the dispute and shall require each party to present facts in relation to the dispute within twenty-one (21) business days from the date of the dispute arising. If the dispute relates to the Board of Directors or the Chairman of the Board of Directors, any party may request competent authorities to resolve.
3. If a decision on reconciliation is not made within 06 (six) weeks from the beginning of the reconciliation process or if the decision of the conciliator is not accepted by the parties, then any party may bring such dispute to the competent Court.
4. The parties shall bear their own costs relating to procedures for negotiation and conciliation. The Court shall decide which party is to bear the Court fees.

## **Chapter 22**

### **INFORMATION AND CONFIDENTIALITY**

#### **Article 92. Information**

1. The Bank periodically informs the account holder of the transactions and balances on their accounts at the Bank.
2. The Bank may exchange information with other credit institutions on banking activities and customers in accordance with the regulations.
3. The Bank is responsible for reporting and providing information to the State Bank on the business situation and personnel at the request of the State Bank and being provided with information related to banking activities of customers having relationship with the Bank by the State Bank.

#### **Article 93. Obligations of confidentiality**

1. Employees of the Bank and related persons shall not disclose State secrets, business secrets and customer secrets that they know, except as required by the government authorities.
2. The Bank is entitled to refuse requests of organizations and individuals on providing of information relating to deposits, assets of customers and operations of the Bank, except where there exists a request from competent Government authorities in accordance with the law or approved by the customer in writing.

## **Chapter 23**

### **EFFECTIVE DATE**

**Article 94. Effective Date**

1. This Charter shall take effect from the date when the General Meeting of Shareholders approves and shall replace the previous Charter and the Charter supplements approved by the State Bank.
2. Copies or excerpts of this Charter comply with the Bank's regulations and relevant laws.
3. This Charter is the unique and official Charter of the Bank.
4. The amendment and supplementation of this Charter must be approved by the General Meeting of Shareholders. In case of any change or new provisions of the law relating to the Bank's activities other than the provisions of this Charter, the provisions of such law shall automatically apply, except where the new law allows this Charter to be regulated otherwise, in accordance with the new framework, the provisions of this Charter shall apply./.

*Ho Chi Minh City,*

*2021*

FOR AND ON BEHALF OF GENERAL MEETING  
OF SHAREHOLDERS  
CHAIRPERSON OF BOARD OF DIRECTORS

**LE THI BANG TAM**

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