

**SOCIALIST REPUBLIC OF VIETNAM**

**Independence - Freedom - Happiness**



# **CHARTER**

## **VIETNAM PROSPERITY JOINT-STOCK COMMERCIAL BANK**

*April 2012*

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**CHAPTER I**  
**GENERAL PROVISIONS**

**Article 1. Interpretations**

1. In this Charter, unless the context otherwise requires, the following words and expressions shall have the meaning set out below:
  - a) “*Law*” shall mean Codes, Laws, Ordinances, Decrees, Decisions, Circulars and other relevant legal documents stipulated in Law on the Promulgation of legal documents.
  - b) “*Law on Credit Institutions*” shall mean the Law on Credit Institutions No. 47/2010/QH12 adopted by the National Assembly of Vietnam on June 16, 2010 taking effects from January 01, 2011.
  - c) “*Law on Enterprises*” shall mean the Law on Enterprises adopted by the National Assembly of Vietnam on November 29, 2005.
  - d) “*Law on Securities*” shall mean the Law on Securities adopted by the National Assembly of Vietnam on June 29, 2006 and the Law on amending and supplementing a number of Articles of the Law on Securities adopted by the National Assembly of Vietnam on November 24, 2010.
  - e) “*Decree 59*” shall mean Decree No. 59/2009/ND-CP dated July 16, 2009, of the Government on organization and operation of commercial banks.
  - f) “*State Bank*” shall mean the State Bank of Vietnam.
  - g) “*VPBank*” shall mean Vietnam Prosperity Joint-Stock Commercial Bank.
  - h) “*Establishment Date*” shall mean the date on which the State Bank of Vietnam grants the Establishment and Operation License to VPBank.
  - i) “*Legal Capital*” shall mean the minimum capital required by law to establish and operate the Bank.
  - j) “*Charter Capital*” shall mean the capital contributed by all shareholders and recorded in Article 8 of this Charter.
  - k) “*Major Shareholder*” shall mean a shareholder directly or indirectly owning 5% or more of voting share capital of VPBank.
  - l) “*Stock*” shall mean a certificate that shall be issued by VPBank or a book entry that confirms the ownership of one or a number of shares of VPBank.
  - m) “*Subsidiary company of VPBank*”<sup>1</sup> shall mean a company which has legal entity, independent accounting with its own capital and falls in one of the following cases:
    - VPBank or VPBank and its related person owns/own over 50% of its charter capital or

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<sup>1</sup> Paragraph 30, Article 4, Law on Credit Institutions.

- over 50% of its voting share capital;
- VPBank has the right to directly or indirectly appoint a majority of or all members of the Board of Directors, Board of Members, Directors or Chief Executive Officer of the Company;
  - VPBank has the right to decide the amendment or supplementation of the Charter of the Company;
  - VPBank and its related people directly or indirectly adopts/adopt the resolutions or decisions of the General Meeting of Shareholders, Board of Directors, and Board of Members of the Company.
- n) “Executive officer of *VPBank*”: include the Chief Executive Officer, the Deputy Chief Executive Officers, the Chief Accountant, the Branch Directors and other equivalent titles of VPBank.<sup>2</sup>
- o) “*Managerial officers of VPBank*”: include the Chairman and the members of the Board of Directors; the Chief Executive Officer, the Deputy Chief Executive Officers and the Chief Accountant of VPBank.<sup>3</sup>
- p) “*Related person*” shall mean an organization or individual who has relations with another organization or individual in any of the following cases:<sup>4</sup>
- The parent company with the subsidiary company and vice versa; the credit institution with its subsidiary company and vice versa; among subsidiary companies of the same parent company or of the same credit institution; managerial officer or member of Supervisory Board of the parent company or of the credit institution, and the individual or organization competent to appoint these persons with the subsidiary company and vice versa;
  - The company or credit institution with its manager or member of Supervisory Board, or with the company or organization competent to appoint these persons and vice versa;
  - The company or credit institution with the organization or individual owning 5% or more of the charter capital or voting share capital of that company or credit institution and vice versa;
  - The individual with his/her spouse, father, mother, children or siblings;
  - The company or credit institution with the closely related individuals (as defined above) of the managerial officers, members of Supervisory Board, capital contributors or shareholders owning 5% or more of the charter capital or voting share capital of that company or credit institution and vice versa;

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<sup>2</sup> Paragraph 32, Article 4, Law on Credit Institutions.

<sup>3</sup> Paragraph 31, Article 4, Law on Credit Institutions.

<sup>4</sup> Paragraph 28, Article 4, Law on Credit Institutions.

- The individual authorized to represent the organization or individual specified at the above dashes with the authorizing organization or individual; among individuals authorized to represent the capital share of the same organization.
  - q) “*Independent members of the Board of Directors*” shall mean members of the Board of Directors who satisfy the criteria and conditions stipulated in Paragraph 2, Article 50 of this Charter.
  - r) “*Associated company*” shall mean a company in which VPBank or VPBank and its related persons owns/own over 11% of the Charter Capital or voting share capital of the company, but not a subsidiary company of VPBank.
2. In this Charter, any reference to one or more regulations or other legal documents shall include its amendments, supplementation or replacements.
  3. The headings (Chapter, Section, Article) in this Charter are inserted for convenience only and do not affect the content of this Charter.
  4. Words, terms and concepts that are not defined in this Charter shall be construed according to provisions of applicable laws.

## **Article 2. Name, form, seal, head office, network and duration of operation**

1. Name of the Bank:
  - a) Full name in Vietnamese: Ngân Hàng Thương Mại Cổ Phần Việt Nam Thịnh Vượng.
  - b) Full name in English: Vietnam Prosperity Joint Stock Commercial Bank
  - c) Abbreviated name: VPBank.
2. Form: VPBank shall be a Commercial Bank organized in the form of Joint Stock Company, having legal status in conformity with Vietnamese laws.
3. The engraving, registration, management and use of VPBank’s seal shall comply with provisions of applicable laws and VPBank’s internal regulations.
4. Head office:
  - a) Address : No. 8 Le Thai To, Hang Trong Ward, Hoan Kiem District, Hanoi
  - b) Tel : 84-4-39288869 Fax: 84-4-39288867
  - c) Website : [www.vpb.com.vn](http://www.vpb.com.vn) Email: [vpb@vpb.com.vn](mailto:vpb@vpb.com.vn)
5. Affiliated units: VPBank shall be entitled to establish subsidiary companies, main transaction offices, branches, transaction offices, representative offices, non-productive units and other forms of commercial presence inside and outside the country to achieve the objectives of VPBank in accordance with applicable laws.
6. Duration of Operation of VPBank shall be ninety nine (99) years as from the Establishment date and shall be entitled to be extended in accordance with applicable laws.

**Article 3. Objective, areas and scope of operation**

1. The objective of VPBank shall be to develop into a top-ranking retail bank among joint-stock commercial banks in Vietnam in terms of business scale, market share and service quality. On that basis, VPBank shall make the highest profits for its shareholders, create stable jobs and career development opportunities for labourers, contribute considerably to the State Budget and to the general development of the economy and society as well.
2. VPBank operates mainly in the fields of finance and banking, performs business activities according to the License granted by the State Bank and other activities in line with provisions of applicable laws.

**Article 4. Main operations<sup>5</sup>****1. Banking operations of VPBank**

- a) Taking demand deposits, term deposits, savings deposits and deposits of other types.
- b) Issuing deposit certificates, promissory notes, treasury bills and bonds to mobilize capital at home and abroad.
- c) Granting credit in the following forms:
  - Lending;
  - Discounting and re-discounting negotiable instruments and other valuable papers;
  - Bank guarantee;
  - Issuing credit cards;
  - Domestic factoring; international factoring;
  - Other forms of credit granting after obtaining the State Bank's approval.
- d) Opening payment accounts for customers
- e) Providing payment instruments.
- f) Providing the following payment services:
  - Domestic payment services, including cheque, payment order, payment authorization, collection, authorized collection, letter of credit and bank card, and collection and payment services as customer's agent.
  - International payment services and other payment services after obtaining the State Bank's approval.
  - Services of cash collection and payment on behalf of customers;
  - Other payment services in accordance with provisions of applicable laws.

**2. Borrowing of loans from the State Bank**

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<sup>5</sup> Chapter IV of Law on Credit Institutions.



VPBank shall be entitled to borrow loans from the State Bank in the form of re-financing under the Law of the State Bank of Vietnam.

**3. Borrowing of loans from credit institutions and financial institutions and other forms of capital mobilization**

VPBank shall be entitled to borrow loans from domestic and overseas credit institutions and financial institutions in accordance with provisions of applicable laws.

VPBank shall be entitled to mobilize capital in other forms in accordance with provisions of applicable laws.

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

- a) VPBank shall be entitled to organize its own internal payment systems and participate in the national inter-bank payment system.
- b) VPBank shall be entitled to participate in international payment systems after obtaining the State Bank's approval.

**5. Capital contribution and share purchase**

- a) VPBank shall be required to establish or acquire subsidiary companies or associated companies to perform the following business activities:
  - Securities issue underwriting guarantee, and securities brokerage; management and distribution of securities investment fund certificates; and securities investment portfolio management and stock trading;
  - Finance leasing;
  - Insurance.
- b) VPBank shall be entitled to establish or acquire Subsidiary companies or associated companies operating in the fields of collateral management, overseas remittance, foreign exchange trading, gold trading, factoring and issuance of credit cards, consumer credit, intermediary payment services and credit information.
- c) VPBank shall be entitled to contribute capital to, or purchase shares of enterprises operating in the following areas:
  - Insurance, securities, overseas remittance, foreign exchange trading, gold trading, factoring, issuance of credit cards, consumer credits, intermediary payment services and credit information;
  - Other areas not specified in above paragraph of this Point.
- d) The establishment and acquisition of subsidiary companies and associated companies as stipulated in Point a) and Point b) of this paragraph and the capital contribution and share purchase by VPBank specified at the second Paragraph, Point c) of this Paragraph shall be required to be subject to the State Bank's prior written approval.

- e) VPBank and its subsidiary companies shall be entitled to acquire or hold shares of other credit institutions on the conditions and within the limits stipulated by the State Bank.
- f) VPBank shall be entitled to contribute capital in conjunction with foreign credit institutions to establish joint-venture credit institutions in Vietnam in line with provisions of applicable laws;

#### **6. Participating in the monetary market**

VPBank shall be entitled to bid for treasury bills and sell and purchase negotiable instruments, Government bonds, Treasury bills, State Bank's bills and other valuable papers in the monetary market.

#### **7. Trading in and providing foreign exchange services and derivative products**

- a) VPBank shall be entitled to trade in and provide domestic and foreign customers with the following products and services: Foreign exchange; Derivatives regarding exchange rates, interest rates, foreign exchange, currency and other financial assets in line with provisions of applicable laws.
- b) For products and services that require the approval of the State Bank, VPBank shall provide only after having obtained the State Bank's written approval.

#### **8. Entrustment and agency**

VPBank shall be entitled to entrust, receive entrustment or act as agency in areas related to banking activity, insurance trading and asset management in accordance with provisions of the State Bank.

#### **9. Other business activities**

- a) Providing insurance services; acting as an insurance agency.
- b) Services of cash management, banking consultancy, finance consultancy; services of asset management, preservation, strong box, safe leasing.
- c) Corporate finance consultancy, consultancy in purchase, sale, integration, merger of enterprise and investment consultancy.
- d) Sale and purchase of government bonds and corporate bonds.
- e) Monetary brokerage service.
- f) Gold trading.
- g) Securities custody and other business activities related to banking activity upon the written approval by the State Bank.
- h) Other activities permitted by the law.

**10. Prudence:** During its operation, VPBank shall be required to comply with the regulations on ensuring the prudence and other provisions of applicable laws.

#### **Article 5. Interest rate, fee in VPBank's business operation**

1. VPBank shall have the right to fix and shall be required to post up in public its mobilization interest rates, the fees for the supply of service in its business activity.
2. VPBank and its customers shall have the right to agree on the interest rates, fees for credit extension in banking activity in accordance with provisions of applicable laws.

#### **Article 6. E-banking operation**

VPBank shall be authorized to perform its business activities through the use of electronic means under the instruction of the State Bank regarding to risk management and in accordance with provisions of applicable laws on electronic transaction.

#### **Article 7. Real Estate trading**

VPBank shall be prohibited from real estate trading, except for the following cases:

1. Purchasing, investing, owning real estate to be used as a premise for business, working or as a warehouse which directly serves the operational activities of VPBank;
2. Using a part of the business premise which has not been used and belongs to VPBank for lease;
3. Holding real estate due to the disposal of loans. Within a period of 03 years since the date of making decision on the disposal of collateral which is real estate, VPBank shall be required to sell, transfer or acquire this real estate so as to ensure the rate of investment in fixed asset and purpose of using the fixed asset stipulated by law.

## **CHAPTER II**

### **CHARTER CAPITAL, SHAREHOLDERS, SHARE, STOCK, BOND**

#### **SECTION I: CHARTER CAPITAL**

#### **Article 8. Charter Capital**

1. Charter Capital of VPBank at the time of ratification for this Charter is: 5,050,000,000,000 VND (Five trillion, fifty billion Vietnamese Dong).
2. VPBank's Charter Capital shall be accounted in Vietnamese Dong (VND).
3. VPBank shall be required to ensure that the the fair value of their charter capital is not lower than the legal capital shall be as required by law.

#### **Article 9. Change of the Charter Capital<sup>6</sup>**

1. VPBank shall be required to obtain the written approval from the State Bank before the performance of procedures of changing the Charter Capital.
2. After the Charter Capital has been changed, VPBank shall be required to register the new Charter Capital with business registration agencies.
3. The Board of Directors shall take responsibility to the law for appraisal of the documents,

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<sup>6</sup> Article 80 - Decree 59.

procedures and conditions for VPBank to change the Charter Capital in line with provisions of applicable laws and of this Charter.

4. VPBank's Charter Capital shall be increased in one of the following forms:
  - a) The reserve fund for the supplement of the charter capital; share premium fund; Retained earnings and other funds in accordance with provisions of applicable laws;
  - b) Issuing new stocks to the public , issuing stocks to individual customers, including debt restructuring in the form of converting debts into share capital as agreed between VPBank and its creditors;
  - c) Converting convertible bonds into common stocks;
  - d) Other forms in accordance with provisions of applicable laws.
5. VPBank' Charter Capital shall be decreased in one of the following forms:
  - a) VPBank buys back and disposes treasury stocks with the total value equal to the capital amount expected to be reduced;
  - b) VPBank revokes and disposes fund stocks with the total value equal to the capital amount expected to be reduced;
  - c) Other forms in accordance with provisions of applicable laws.

## **SECTION II: SHAREHOLDERS**

### **Article 10. Shareholders**

1. Shareholder shall mean an owner of VPBank's shares, having rights and obligations in proportion to the number and the type of shares he/she holds.
2. Shareholder shall be officially recognized upon making full payment for the purchased share and having all relevant information fully recorded in the Register of shareholders of VPBank.
3. The appointment of the authorized representatives of shareholders at VPBank shall comply with Paragraph 3, Article 96 of Law on Enterprises and other provisions of applicable laws.
4. VPBank shall be required to have at least 100 shareholders and there shall be no limit for its maximum number.

### **Article 11. Rights of Shareholders<sup>7</sup>**

1. Rights of common shareholders:
  - a) To have the rights as stipulated in Paragraph 1, 2, 3, 5, 6, 7, Article 53 of Law on Credit Institutions;
  - b) To transfer or sell their shares to VPBank in accordance with the provisions of this Charter and applicable laws;

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<sup>7</sup> Article 79 of Law on Enterprises, Article 53 of Law on Credit Institutions.

- c) To be entitled to authorize, in writing, another person to perform his rights, obligations; the authorized person shall not be permitted to stand for election in the capacity of himself and shall be only entitled to reauthorize another person with the shareholder' consent.
  - d) A shareholder or a group of shareholders holding more than 10% of the total common shares within at least 06 consecutive months shall have the rights as stipulated in Paragraph 2 and Paragraph 3, Article 79 of Law on Enterprises;
  - e) The nomination of candidates to the Board of Directors and Supervisory Board shall be performed in accordance with provisions in Paragraph 4, Article 79 of Law on Enterprises but the list of candidates shall be required to be sent to the Board of Directors within the time - limit as required by the Board of Directors;
  - f) Common shareholders shall have other rights in accordance with provisions of applicable laws.
2. The shareholder of a voting preferred share shall have the rights as stipulated in Paragraph 2, Article 81 of Law on Enterprises and Paragraph 4, Article 52 of Law on Credit Institutions.
  3. The shareholder of a dividend preferred share shall have the rights as stipulated in Paragraph 2, Article 82 of Law on Enterprises and Paragraph 3, Article 52, Law on Credit Institutions.

#### **Article 12. Obligations of shareholders<sup>8</sup>**

1. A shareholder of VPBank shall be required to perform the following obligations:
  - a) To make full payment for the shares that he/she has already committed to buy within the period stipulated by VPBank; to take responsibility for the liabilities and other asset obligations of VPBank within the scope of the share capital contributed to VPBank.
  - b) Not to withdraw the already contributed share capital from VPBank in any form that results in the reduction of the Charter Capital of VPBank, unless otherwise stipulated by applicable laws.
  - c) To take responsibility to the law for the legality of the source of the capital to contribute, to purchase shares at VPBank;
  - d) To comply with the Charter and the internal management regulations of VPBank;
  - e) To implement the resolutions, decisions of the Shareholders' General Assembly, Board of Directors.
  - f) To take personal responsibility when he/she, in the name of VPBank in any form, performs an illegal act, carries out business and other transactions for personal benefit or for the benefit of another organization or individual, pays premature debts where VPBank shall be likely to be in financial danger.
2. Any shareholder who receives investment entrust for another organization, individual shall be

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<sup>8</sup> Article 80 of Law on Enterprises, Article 54 of Law on Credit Institutions.

required to provide VPBank with information about the actual owner of the shares that he receives as investment entrust in VPBank. VPBank shall be entitled to suspend the shareholder right of that shareholder in case it is found out that he fails to provide authentic information about the actual owner of the shares.

**Article 13. The register of shareholders and the establishment of list of shareholders<sup>9</sup>**

1. Register of Shareholders:

- a) VPBank shall establish and maintain a register of shareholders from the date of issuance of the business registration certificate. The register of shareholders shall be entitled to be in the form of a document or an electronic file, or both.
- b) A Register of shareholders shall be required to contain the following main contents:
  - Name, address of head office of VPBank;
  - Total number of shares which are to be offered for sale, classes of shares which are offered for sale and number of shares of each class which are offered for sale;
  - Total number of shares of each class already sold and value of share capital already contributed;
  - Full name, permanent address, nationality, number of people's identity card, passport or other lawful personal identification in respect of a member being an individual; name, permanent address, nationality, number of decision on establishment or number of business registration in respect of a member being an organization;
  - Number of shares of each class of each shareholder and date of share registration.
- c) The register of shareholders shall be retained at the head office of VPBank or at the centre for registration, depository, clearing and payment of securities. Shareholders shall have the right to examine, look up or make an extract or copy of their related information in the register of shareholders during business hours of VPBank or of the of the centre for registration, depository, clearing and payment of securities;
- d) Shareholders owning five or more per cent of the total number of shares shall be required to be registered with a competent business registration agency within seven working days from the date of acquiring such ownership percentage.

2. Establishment of list of shareholders:

- a) The Board of Directors shall specify the time of establishing list of shareholders assuming shareholder's rights and shall be ensure that shareholders have sufficient time to register their personal changes and the number of shareholders they have acquired before the time mentioned above;
- b) For share transfer transaction arising between the date of the completion of the list of

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<sup>9</sup> Article 86 of Law on Enterprises.

shareholders and the date when shareholder's rights are performed, the transferor shall be entitled to the shareholder's rights.

### **SECTION III: SHARES**

#### **Article 14. Shares**

1. Par value of each share of VPBank shall be 10,000 VND (Ten thousand Vietnamese Dong).
2. At the time of the ratification for this Charter, all VPBank's shares are common shares; all VPBank's shareholders are common shareholders.
3. Where necessary, VPBank shall be entitled to issue other types of shares in line with provisions of applicable laws.
4. Each share of the same class shall entitle its holder to the same rights, obligations and interests.

#### **Article 15. Limit of Shareholding<sup>10</sup>**

1. For domestic investors:
  - a) An individual shareholder shall not be authorized to hold more than 5% of the charter capital of VPBank.
  - b) An institutional shareholder shall not be authorized to hold more than 15% of the charter capital of VPBank.
  - c) A shareholder and his/her related persons shall not be authorized to hold more than 20% of the charter capital of VPBank.
  - d) The shareholding rate exceeding the limit as stated above shall be made in accordance with provisions of applicable laws.
2. For foreign investors: Foreign investors shall be entitled to purchase VPBank' shares. Conditions, procedures, total maximum shareholding level of foreign investors, the maximum rate of shareholding by a foreign investor shall be implemented in accordance with provisions of applicable laws in each period.
3. The shareholding proportion as stated in Paragraph 1 of this Article shall include the capital amount entrusted to other organizations or individuals for share purchase.
4. In case individuals and organizations hold convertible bonds, after the conversion of the bonds into stocks, they shall comply with the shareholding limit stipulated in this Article.

#### **Article 16. Offer of shares for sale<sup>11</sup>**

1. The Board of Directors shall determine the time and the method of and the price to offer shares for sale for the number of shares which are entitled to be offered for sale. The price at which

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<sup>10</sup> Article 55 of Law on Credit Institutions

<sup>11</sup> Article 87 of Law on Enterprises. Article 56 of Law on Credit Institutions

shares shall be offered shall not be lower than the market price at the time of offering or the latest value of shares recorded in books, except:

- a) Shares offered for the first time to persons other than founding shareholders;
  - b) Shares offered to all shareholders in proportion to the respective percentage of shares they currently hold in VPBank;
  - c) Shares offered to brokers or underwriters. In this case, the specific amount of discount or rate of discount shall be required to be approved by the shareholders representing at least seventy five (75) percent of the total number of shares with voting rights;
2. In case VPBank issues additional ordinary shares and offers such shares to all common shareholders in proportion to the respective percentage of shares they currently hold in VPBank, the following provisions shall be required to be implemented:
- a) VPBank shall be required to notify shareholders in writing by a method guaranteed to reach their permanent addresses (or other contact addresses that shareholders have registered with VPBank). The notice shall be required to be published on newspaper in three consecutive issues within ten (10) working days from the date of notification;
  - b) The notification shall be required to contain full name, permanent address, nationality, number of identity card, passport or other relevant personal identification in respect of a shareholder being an individual; name, permanent address, nationality, number of decision on establishment or number of business registration for the institutional shareholders; the current number of shares and percentage of shares of shareholders in VPBank; total number of shares intended to be issued and number of shares which a shareholder shall be entitled to subscribe; shares price offered; time-limit for registration to subscribe; full name and signature of the legal representative of VPBank. The time-limit stated in the notification shall be required to be reasonably sufficient for shareholders to register to subscribe. A registration form for share subscription issued by VPBank shall be required to be attached to the notice;
  - c) Shareholders have the right to transfer their priority right in subscribing for shares to other people;
  - d) If the registration form for share subscription shall be not sent to VPBank within the notified time-limit, the relevant shareholder shall be deemed as having rejected the priority right for shares subscription. If the shares intended to be issued are not entirely subscribed by shareholders and their transferees as registered or shareholders/transferees do not fulfill payment for all the shares registered to subscribe, the remaining number of shares intended to be issued/not fully paid shall be managed by the Board of Directors. The Board of Directors shall be entitled to allocate such shares to shareholders of VPBank or to other people in a reasonable manner with conditions not more favorable than the conditions offered to shareholders, except where otherwise approved by the General Meeting of Shareholders or where shares are sold through a securities transaction center.



3. Shares shall be deemed to have been sold when they are fully paid and all information of the purchaser as stipulated in Paragraph 2 of Article 86 of Law on Enterprises shall be fully and correctly recorded in the register of shareholders; from that time on, the purchaser of such shares shall become a shareholder of VPBank.
4. After shares are sold, VPBank shall issue and deliver stocks to the purchasers, in case of without delivering stocks, the recording of particular information of a shareholder in the register of shareholders shall be sufficient to certify the ownership of shares of such shareholder in VPBank.

**Article 17. Withdrawal of shares<sup>12</sup>**

1. VPBank shall be entitled to withdraw the number of shares that have been not fully and timely paid by the shareholders within the time limit informed by VPBank in line with provisions of applicable laws.
2. The order and procedures for withdrawing shares shall comply with the provisions of applicable laws.

**Article 18. Transfer of Shares<sup>13</sup>**

1. All shares shall be entitled to be freely transferred, unless otherwise stipulated in this Charter and other applicable laws.
2. Board of Directors shall stipulate the order, procedures for transferring shares in compliance with provisions of applicable laws. The transfer of shares shall be conducted in writing by normal methods. The transfer documents shall be required to be signed by the transferor and the transferee or their authorized representatives. The transferor shall remain the owner of the relevant shares until name of the transferee has been registered in the register of shareholders. For named stocks, if only a part of shares are transferred, VPBank shall destroy the old stocks and issue new stocks recording the number of shares transferred and the remaining number of shares.
3. The following transfer of shares of VPBank shall be required to obtain the written approval of the Governor of the State Bank before conducting:
  - a) Transfer of shares of major shareholders;
  - b) Transfer of shares resulting in the fact that a major shareholder becomes a normal shareholder and vice versa.
4. Individual shareholders, institutional shareholders with the representatives for their share capital being members of the Board of Directors or the Supervisory Board or Chief Executive Officer shall not be entitled to transfer their shares during their term of office.

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<sup>12</sup> Model Charter applicable to listed Companies, issued with Decision 15/2007/QD-BTC of the Minister of Finance dated 19 March 2007.

<sup>13</sup> Article 87 of Law on Enterprises, Article 29 and Article 56 of Law on Credit Institutions.

5. During the time of remedy of consequences caused by personal responsibility under the General Meeting of Shareholders' resolution or the State Bank's decision, members of the Board of Directors or the Supervisory Board, the Chief Executive Officer shall not be entitled to transfer their shares, unless:
  - a) They act as authorized representatives of institutional shareholders which are merged, integrated, split, separated-, dissolved or bankrupt in accordance with provisions of applicable laws;
  - b) They are forced to transfer their shares under a judgment of the Court.
  - c) They transfer their shares to other investors for the purpose of compulsory merger or integration stipulated in Paragraph 2, Article 149 of Law on Credit Institutions.
6. The transfer of VPBank's shares listed at the Stock Exchange/ Securities Trading Centre shall be subject to provisions of law on securities and stock market.
7. The transfer of shares of founding shareholders shall comply with provisions of applicable laws.

**Article 19. Repurchase of shares of shareholders<sup>14</sup>**

1. VPBank shall only be authorized to repurchase shares from shareholders if after full payment for the repurchased shares have been made, all prudential ratios in banking activities are still ensured, the actual value of Charter Capital is not reduced to a lower level than the legal capital amount. VPBank shall repurchase shares upon request of shareholders or pursuant to a decision of VPBank.
2. Any case of its own share repurchase that results in the reduction of the Charter Capital of VPBank shall be subject to a prior approval in writing of the State Bank.
3. Repurchase of shares upon request of shareholders:
  - a) A shareholder voting against the re-organization of VPBank or the alternation of the rights and obligations of shareholders stipulated in this Charter shall be entitled to request VPBank to repurchase his shares. The request shall be required to be in writing and specify the name and address of the shareholder, the number of shares of each type, the proposed price, and the reason for such request to VPBank. The request shall be required to be sent to the head office of VPBank within ten (10) working days from the date on which the General Meeting of Shareholders passes decisions on the related matter.
  - b) VPBank shall be required to repurchase shares upon request by the shareholder within ninety (90) days from the date of receipt of such a request at the price agreed by two parties. Where such a price fails to be agreed, either shareholder shall be entitled to sell shares to other people or all the parties shall be entitled to call for a price determination by a professional valuation organization. VPBank shall recommend at least three professional

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<sup>14</sup> Article 90, 91, 92 of Law on Enterprises, Article 57 of Law on Credit Institutions.

valuation organizations so that the shareholder is able to select and such selection shall be the final decision.

4. Repurchase of shares pursuant to a decision of VPBank: VPBank shall be entitled to repurchase no more than thirty (30) per cent of the total sold common shares, and part or whole of total sold dividend preferred shares in accordance with the following provisions:
  - a) The Board of Directors shall be entitled to decide on repurchase of no more than ten (10) per cent of the total offered shares of each class for every twelve (12) months. In other cases, repurchase of shares shall be decided by the General Meeting of Shareholders.
  - b) The Board of Directors shall decide on the price for repurchase of shares. The price for repurchase of common shares shall not be higher than the market price at the time of repurchase, except for cases stipulated in Point c of this Paragraph. For other types of shares, unless otherwise agreed between VPBank and relevant shareholders, the price for repurchase shall not be lower than the market price;
  - c) VPBank shall be entitled to repurchase shares of every shareholder in proportion to his share capital in VPBank. In this case, the decision on shares repurchase shall be required to be notified by a guaranteed method to reach all shareholders within thirty (30) days from the date of the ratification for such decision. The notice shall be required to include the name and address of the head office of VPBank, total number of shares and types of shares to be repurchased, price for repurchase or pricing principles, procedures and time-limit for payment and for the shareholders to offer their shares for VPBank. Shareholders who agree to have their shares repurchased shall be required to send their offers by a guaranteed method to reach the head office of VPBank within thirty (30) days from the date of notice. The offer shall be required to include full name, permanent address, number of people's identity card, passport or other lawful personal identification of individual shareholders; name, the address of the head office, nationality, number of decision on establishment or number of business registration for institutional shareholders; total number of shares they own and number of shares they are going to offer; payment method; signatures of the shareholders or their legal representatives. VPBank shall only repurchase offered shares within the above mentioned time-limit.
5. Conditions for payment and dealing with repurchased shares:
  - a) VPBank shall be only authorized to pay shareholders for repurchased shares in accordance with this Article if after such repurchased shares are fully paid for, VPBank shall still ensure all prudential ratios in banking activities, ensure that its charter capital is not lower than legal capital and ensure other relevant conditions stipulated by the State Bank, ensure the ability to pay in full its debts and other property obligations.
  - b) All shares repurchased in accordance with this Article shall be considered withdrawn shares which shall be entitled to be offered for sale.
  - c) Stocks certifying the ownership of the repurchased shares (if any) shall be required to be

destroyed immediately after the corresponding shares are fully paid. The Chairman of the Board of Directors and the Chief Executive Officer shall be required to be jointly responsible for any damage caused to VPBank due to failure to destroy or late destruction of stocks.

- d) After the repurchased shares are fully paid, if the total value of assets recorded in the accounting books of VPBank is reduced by more than ten (10) per cent, VPBank shall be required to notify all creditors thereof within fifteen (15) days from the date on which the repurchased shares are fully paid.
- e) Types of fund stock held by VPBank shall not receive dividends or have voting rights or be entitled to distribution of residual assets where VPBank' goes bankrupt. When dividends are distributed for shares, fund stocks held by VPBank shall be deemed as unsold stocks.

#### **Article 20. Inheritance of shares**

1. The inheritance of shares shall comply with the provisions of this Charter, the Civil Code, Law on Enterprises and other provisions of applicable laws.
2. After fulfilling all inheritance procedures and submitting full documents proving the legal inheritance capacity, the inheritor shall register the inherited shares in the Register of shareholders and become VPBank's shareholder, be entitled to the rights and obligations inherited from the shareholder in accordance with provisions of this Charter and other provisions of applicable laws.
3. The inheritors of the shareholder being members of the Board of Directors, the Supervisory Board, Chief Executive Officer and other managerial officers shall not be authorized to automatically inherit the rights to hold such positions.

### **SECTION IV: STOCKS AND BONDS**

#### **Article 21. Stocks<sup>15</sup>**

1. VPBank's stock shall be a certificate issued by VPBank or a book entry certifying the ownership of one or more shares of VPBank. Stock shall be entitled to indicate names or not. VPBank' stocks shall contain the following main contents:
  - a) Name, address of the head office of VPBank;
  - b) Number and date of issuance of the business registration certificate;
  - c) Number of shares and types of shares;
  - d) Par value of each share and total par value of shares printed in the stock;
  - e) Full name, permanent address, nationality, number of identity card, passport or other lawful personal identification for individual shareholders; name, permanent address, nationality, number of decision on establishment or number of business registration for

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<sup>15</sup> Article 85 of Law on Enterprises.

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- institutional shareholders with respect to named stocks;
- f) Summary of procedures for transfer of shares;
  - g) Sample signature of the legal representative and seal of VPBank;
  - h) Registration number in the register of shareholders of VPBank and date of issuance of stocks;
  - i) Preferred stocks shall also include other details as stipulated in Articles 81, 82 and 83 of Law on Enterprises.
2. Any errors in the content and form of a stock issued by VPBank shall not affect the rights and interests of its owner. The Chairman of the Board of Directors and the Chief Executive Officer shall be jointly liable for any damage caused to VPBank by such errors.
  3. Stocks of VPBank shall not be used for pledge at VPBank.
  4. For stocks which are issued in the form of certificates, VPBank shall be required to issue new stocks for the shareholders within 30 days from the date that the shareholders make full payment for the shares committed to purchase.
  5. Where stocks are lost, torn, burnt or otherwise destroyed, the followings shall be applied:
    - a) VPBank shall reissue stocks to the shareholders at their request. The request shall be required to contain the following undertakings:
      - That the stocks have really been lost, torn, burnt or otherwise destroyed; in the case of loss, it shall be additionally undertaken that all best efforts have been made to look for the stocks and if found, such stocks shall be returned to VPBank for destruction;
      - That (the shareholders) shall be responsible for any disputes arising from the re-issuance of new stocks.
    - b) For stocks with par value of over ten million Vietnamese dong, before accepting a request for issuance of new stocks, the legal representative of VPBank shall be entitled to request the shareholders to make an announcement that the stocks have been lost, torn, burnt or otherwise destroyed and request VPBank to issue new stocks fifteen (15) days afterward.

**Article 22. Issuance of bonds<sup>16</sup>**

1. VPBank's issuance of bonds shall comply with the provisions of Article 88 of Law on Enterprises, Law on Credit Institutions and other provisions of relevant laws.
2. For convertible bonds:
  - a) Convertible bonds shall mean bonds issued by VPBank and shall be entitled to be converted into common stocks of VPBank under conditions specified in issuance plans;
  - b) VPBank's plans on issuance of convertible bonds shall be required to be adopted by the

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<sup>16</sup> Article 88 of Law on Enterprises, Article 37 of Decree 59.

- General Meeting of Shareholders and approved in writing by the Governor of the State Bank;
- c) VPBank shall specify method and time of issuance, time limit for and ratio for conversion of bonds, trading band of stocks, use purpose of earnings from issuance of convertible bonds, rights and obligations of convertible bonds' owners in accordance with provision of applicable laws. Such information shall be required to be disclosed at the time of issuance of convertible bonds.
  - d) Procedures and files for issuance of convertible bonds comply with the State Bank's provisions and other relevant laws.

### **CHAPTER III**

#### **ORGANIZATIONAL AND MANAGEMENT STRUCTURE OF VPBANK<sup>17</sup>**

##### **SECTION I: GENERAL PROVISIONS**

#### **Article 23. Management Mechanism and legal representative<sup>18</sup>**

1. Management mechanism of VPBank includes:
  - a) General Meeting of Shareholders ;
  - b) Board of Directors;
  - c) Supervisory Board;
  - d) Chief Executive Officer and assisting mechanism;
  - e) Other individuals and bodies according to the internal regulations of VPBank
2. The Chairman of Board of Directors shall be the legal representative of VPBank.

#### **Article 24. Internal supervision system**

1. Internal supervision system shall be a set of internal mechanisms, policies, processes, regulations, and the Bank's organizational structure, which are established in conformity with guidance of the State Bank and are implemented in order to prevent from, identify, deal with risk in time and obtain the proposed targets.
2. VPBank shall be required to set up an internal control system in order to ensure following requirements:
  - a. Efficiency and safety in activity; protecting, managing, utilizing, on a safe and efficient manner, their assets and resources;
  - b. The system of financial information and management information is correct, reasonable, adequate and timely;
  - c. Laws and internal regulations, processes and provisions are complied with.
3. Activities of the internal control system of VPBank shall be subject to periodical assessment by The Internal Audit.

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<sup>17</sup>Chapter III of Law on Credit Institutions; Article 95 to Article 127 of Law on Enterprises.

<sup>18</sup> Article 95 of Law on Enterprises.

4. Chief Executive Officer shall be responsible for the establishment, maintenance and development of a reasonable and efficient internal supervision system; organizes the inspection and evaluation of the internal control system as well as shall be responsible for the implementation of other relevant regulations on internal control system.

**Article 25. Internal Audit**

- a. Internal Audit shall be the specialized unit which is under the management and direct control of the Supervisory Board and performs the internal audit for VPBank.
- b. Internal Audit shall carry out the checking, independent and objective assessment of the internal control system; make independent assessment of the conformity and compliance with the internal regulations, policies, procedures and processes established in the credit institution; propose recommendations to enhance the efficiency of systems, processes, regulations to contribute to ensure that the credit institution operates with safety, efficiency and in accordance with provisions of applicable laws..
- c. Internal audit results shall be required to be reported in time to the Board of Directors, Board of Members, Supervisory Board and sent to the Chief Executive Officer.
- d. Operational structure, tasks, rights, responsibilities, of the Internal Audit; internal audit policy and plan; reporting and document retention regime of the Internal Audit shall be required to follow the regulations of the State Bank of Vietnam.

**Article 26. Persons who are not permitted to assume a title<sup>19</sup>**

1. The following persons shall not be permitted to undertake the position of Chief Accountant, branch Manager or, Director of a subsidiary company of VPBank:
  - a) An under-age person, a person who has limited or lost civil act capacity;
  - b) A person who shall be subject to a criminal liability prosecution for the time being, shall be serving a criminal sentence, decision of the Court, currently has a criminal record;
  - c) A person who has been convicted of crimes prejudicial to national security, convicted of an act of ownership violation; a person who has ever been convicted of a serious act of violation and more;
  - d) An officer , civil servant provided in the Law on officers and civil servants; managerial officer of department level or higher level in enterprises in which the State holds 50% or more of the charter capital, except for the person who shall be appointed to be authorized representative for the State's contributed capital in VPBank;
  - e) A military officer, non-commissioned officer, professional soldier, national defense worker in agencies, units of Vietnamese People’s Army; military officer, professional non-commissioned officer in agencies, units of Vietnam People’s Public Security, except for the person who shall be appointed to be the representative for the contributed capital of the State at VPBank;
  - f) A person who has been removed from the position as chairman of the Board of Directors or member of the Board of Directors, , Head of the Supervisory Board, member of the Supervisory Board or Chief Executive Officer of VPBank;
  - g) Those who are disciplined by sack decision of VPBank in accordance with provisions of applicable laws.

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<sup>19</sup> Article 33, Law on Credit Institutions.

2. Parents (include adoptive parents), spouses, children (include adoptive children) and siblings of a member of the Board of Directors, Chief Executive Officer and the spouses of these persons shall not be authorized to undertake the position of the Chief Accountant or a person in charge of financial affairs of VPBank.
3. The following persons shall not be permitted to be a member of the Board of Directors, member of the Supervisory Board, Chief Executive Officer, Deputy Chief Executive Officer of VPBank:
  - a) Persons who are subject to provisions in Paragraph 1 of this Article;
  - b) Persons who are not permitted to take part in the administration, management in accordance with provisions of laws on officer, public servant and laws on anti-corruption;
  - c) Person who has ever been the owner of a private enterprise, a member of a partnership, Director (Chief Executive Officer), a chairperson or members of the Board of Directors, member of the Supervisory Board of an enterprise, Head and a member of a cooperative's Board of Management at the time where the enterprise or cooperative shall be declared bankrupt, except for the case where the enterprise, the cooperative shall be declared bankrupt due to a reason of force majeure;
  - d) The legal representative of the enterprise at the time where it shall be suspended from operation, shall be dissolved by enforcement due to a serious act of law violation, except for the case where he shall be a representative upon a proposal by a competent state agency for the purpose of reorganizing, reinforcing that enterprise;
  - e) A person who has ever been suspended from the title of Chairperson of the Board of Directors, member of the Board of Directors, Chief of the Supervisory Board, member of the Supervisory Board, Executive Officer (Director) of VPBank in line with provisions in Article 37 of Law on Credit Institutions or who shall be determined by a competent agency to commit violation resulting in the fact that the Establishment License and Operation License of VPBank are revoked;
  - f) Related person of a member of the Board of Directors, Chief Executive Officer (Director) shall not be permitted to undertake the position of a member of the Supervisory Board of VPBank;
  - g) Related person of the Chairperson of the Board of Directors shall not be permitted to undertake the position as the Chief Executive Officer of VPBank.

**Article 27. Persons who are not authorized to concurrently undertake different titles<sup>20</sup>**

1. A member of the Board of Directors:
  - a) shall not be authorized to be concurrently a member of the Supervisory Board of VPBank;
  - b) Shall not be authorized to be concurrently the managerial officer of another credit institution, except otherwise such institution shall be a subsidiary company of shall be VPBank.
2. The Chairperson of the Board of Directors of VPBank shall not be authorized to be concurrently an executive officer of VPBank and of another credit institution.

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<sup>20</sup> Article 34, Law on Credit Institutions.



3. A member of the Supervisory Board shall not be authorized to concurrently undertake one of following positions:
  - a) A member of the Board of Directors, executive officer, staff of VPBank or VPBank 's subsidiary company; or an employee of an enterprise of which the member of the Board of Directors, executive officer or a major shareholder shall be a member of the Board of Directors or the Chief Executive Officer of VPBank;
  - b) A member of the Board of Directors, member of the Board of Members, executive officer of the enterprise of which a member of the Supervisory Board shall be concurrently a member of the Board of Directors, executive officer of VPBank.
4. Chief of the Supervisory Board shall not be authorized to be concurrently a member of the Supervisory Board, managerial officer of another credit institution.
5. Chief Executive Officer, Deputy Chief Executive Officer of VPBank shall not be authorized to undertake concurrently one of following positions: member of the Board of Directors, member of the Board of Members, member of the Supervisory Board of other credit institutions, except for the case where that credit institution shall be a subsidiary company of VPBank; Chief Executive Officer, Deputy Chief Executive Officer of other enterprises.

**Article 28. Natural loss of capacity**<sup>21</sup>

1. A member of the Board of Directors, member of the Supervisory Board, Chief Executive Officer shall naturally lose his capacity in following cases:
  - a) Loss of civil act capacity, decease;
  - b) Violating provisions in Paragraph 3, Article 21 of this Charter;
  - c) Being a representative for the contributed capital of an organization which shall be a shareholder of the bank where that organization's legal status shall be terminated;
  - d) Being no longer a representative under the authorization;
  - e) Being expelled from the territory of the Socialist Republic of Vietnam by the Court's decision;
  - f) Where the Establishment and Operation License of VPBank shall be revoked;
  - g) In the case where the labour contract of the Chief Executive Officer expires.
2. The Board of Directors, Board of Members of the credit institution shall make a written report attached to the documentations regarding the persons who naturally lose capacity as stipulated in Paragraph 1 of this Article and send to the State Bank in 05 working days since the date where the said persons are determined to naturally lose capacity and take responsibility for the accuracy, truthfulness of this report; perform procedures of election, appointment of vacant titles in accordance with provisions of applicable laws.
3. After the natural loss of capacity, the Chairperson or member of the Board of Directors, Chief or the member of the Supervisory Board, the Chief Executive Officer of VPBank shall be responsible for their decision which shall be contrary to provisions of applicable laws and the Charter of VPBank or intended to be wrong during the term of office.

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<sup>21</sup> Article 35, Law on Credit Institutions.

4. The titles previously approved by the Governor of the State Bank of the person with natural loss of capacity stipulated in this Article shall be naturally terminated.

**Article 29. Dismissal, Removal<sup>22</sup>**

1. The Chairperson, member of the Board of Directors, Chief, member of the Supervisory Board, Chief Executive Officer of VPBank shall be removed from his office, dismissed in one of following cases:
  - a) His civil act capacity shall be limited or has been lost;
  - b) Failing to satisfy the criteria and conditions as stipulated in Article 50 of Law on Credit Institutions;
  - c) His application for resignation from office (with reason) shall be submitted to the Board of Directors and the Supervisory Board of VPBank;
  - d) The independent member of the Board of Directors fails to meet the requirements on independence;
  - e) The removal/dismissal shall be considered as necessary by competent agencies for election, appointment;
  - f) Not participating in the activities of the Board of Directors, Supervisory Board for six (06) consecutive months, except for the case of force majeure;
  - g) Being defined by the state management agencies to violate seriously provisions in Article 32, Article 33 in this Charter;
  - h) Being defined by the competent State agencies to violate provisions in this Charter and/or provisions of applicable laws in the process of performing his/her assigned rights and obligations, which causes damage to VPBank;
  - i) Other cases in accordance with provisions of applicable laws.
2. Besides the cases stipulated in Paragraph 1 of this Article, a member of the Board of Directors and a member of the Supervisory Board shall be required to be removed from his office any time pursuant to the decision by the General Meeting of Shareholders.<sup>23</sup>
3. After being dismissed or removed from office, Chairperson and members of the Board of Directors, Chief and members of the Supervisory Board, Chief Executive Officer of VPBank shall be required to be liable for his/her decisions which are contrary to provisions of applicable laws and of VPBank's Charter or for his/her intentionally wrong decisions during his/her term of office.
4. Titles previously approved by the Governor of State Bank shall naturally be terminated in case of such dismissal, removal from office pursuant to decisions by VPBank's competent agencies.
5. Within a period of ten (10) working days since the ratification of the decision on removal from office or dismissal of the persons specified in Paragraph 1 of this Article, VPBank's Board of Directors shall be required to send a report enclosed with relevant documents to the State Bank.

**Article 30. Suspension, temporary suspension<sup>24</sup>**

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<sup>22</sup> Article 36, Law on Credit Institutions; Article 24, Decree 59.

<sup>23</sup> Paragraph 2, Article 115; Paragraph 2, Article 127, Law on Enterprises.

1. In case VPBank is put under special control, the special Control Board formed by the State Bank shall be entitled to suspend or temporarily suspend the execution of the rights and obligations of the Chairperson, members of the Board of Directors, the Chief, members of the Supervisory Board, and executive officer of VPBank if it may deem necessary.
2. In case Chairperson and members of the Board of Directors, Head and members of the Supervisory Board, Chief Executive Officer of VPBank violate Article 34 Law on Credit Institutions, other provisions of applicable laws in the performance of the assigned rights and obligations, the State Bank has the right to suspend, temporarily suspend the performance of the rights and obligations of violated persons if it may deem necessary; request the competent agencies to dismiss, elect, appoint other people for replacement or nominate other people for replacement if it may deem necessary.
3. Chairperson and members of the Board of Directors, Head and members of the Supervisory Board, Chief Executive Officer of VPBank shall be required to be suspended, temporarily suspended from the performance of their rights and obligations pursuant to decisions of law protection agencies.
4. The person who shall be suspended, temporarily suspended from the execution of rights, obligations as stated in this Article shall be responsible for taking part in handling shortcomings and violations related to personal liability upon request by the State Bank, the Board of Directors, Supervisory Board of VPBank or the Special Supervisory Board or competent state agencies.

**Article 31. Election, appointment<sup>25</sup>**

1. The expected list of persons who are elected, appointed as members of the Board of Directors, members of the Supervisory Board, Chief Executive Officer of VPBank shall be required to be approved in writing by the State Bank prior to election, appointment of such titles. Persons who are elected, appointed as members of the Board of Directors, members of the Board of Members, members of the Supervisory Board, Chief Executive Officer of VPBank shall be required to be in the list that has been approved by the State Bank. The process order, procedures, files for approving the expected list regarding the election, appointment of such titles as stated in Paragraph 1 of this Article shall be implemented in accordance with provisions of the State Bank.
2. VPBank shall notify the State Bank of the list of persons who are elected, appointed to the titles specified in Paragraph of this Article within ten (10) working days since the election, appointment.

**Article 32. Publicity of related interests<sup>26</sup>**

Members of the Board of Directors, members of the Supervisory Board, the Chief Executive Officer and other managerial officer of VPBank shall notify VPBank of their related interests

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<sup>24</sup> Article 37, Law on Credit Institutions

<sup>25</sup> Article 51, Law on Credit Institutions.

<sup>26</sup> Article 39, Law on Credit Institutions.

to in accordance with Article 39, Law on Credit Institutions and other relevant provisions of applicable laws.

**Article 33. General rights and obligations of the managerial officers, executive officers of VPBank<sup>27</sup>**

1. To perform the assigned rights and obligations in accordance with provisions of applicable laws, the Charter of VPBank, decisions of the General Meeting of Shareholders or decisions of the owner of subsidiary companies.
2. To perform their rights and obligations in an honest, cautious and optimal manner for the benefits of VPBank and its shareholders.
3. Pledge loyalty toward VPBank and its shareholders, not to be entitled to make use of information, know-how and business opportunity of VPBank as well as abuse their positions, power and assets of VPBank for the benefit of themselves or other individuals or organizations or cause damage to the benefits of VPBank and its shareholders.
4. To ensure storing all VPBank's documents to provide data for management, administration and control of all the Bank's activities, inspection and supervision, examination of the State Bank.
5. To notify VPBank timely, fully and accurately of their benefits in other organizations, transactions with other individuals, organizations which shall be able to conflict with VPBank's benefit; to participate in transactions only after they have been reviewed and approved by the Board of Directors.
6. Not to be entitled to compete illegally with VPBank or facilitate any third party to damage the interests of VPBank.
7. Not to be entitled to create conditions for themselves or their related persons specified in Point p1.p), Paragraph 1, Article 1 of this Charter to have a loan, to use VPBank's other services with more preferential and favorable conditions than general provisions of applicable laws and VPBank.
8. Not to be entitled to salary, remuneration increase or ask for bonus payment in the event where VPBank faces losses.
9. Other obligations provided in this Charter and provisions of applicable laws.

**Article 34. Transactions subject to approval of the General Meeting of Shareholders and the Board of Directors**

1. Contracts (except for the case where they are forbidden and restricted by the law) signed between VPBank and the followings shall be required to be approved by the General Meeting of Shareholders or the Board of Directors:
  - a) Major shareholders of VPBank and their related persons;
  - b) Members of the Board of Directors, members of the Supervisory Board, Chief Executive Officer;
  - c) Related persons of managerial officers, members of the Supervisory Board and major shareholders of VPBank;

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<sup>27</sup> Article 119, Law on Enterprises.

- d) Enterprises which are subsidiary companies or associated companies of VPBank.
2. Contracts specified in Paragraph 1 of this Article with the value of more than 20% (twenty percent) of VPBank's charter capital as indicated in the latest audited financial reports shall be required to be approved by the General Meeting of Shareholders. In this case, the Board of Directors shall submit a draft contract or explain the main contents of the contract in the General Meeting of Shareholders or obtain shareholders' opinions in writing. Related shareholders have no right to vote. The contracts are approved by shareholders representing over 51% of total votes of all remaining attending shareholders who have the right to vote/give opinions in writing.
  3. The contracts specified in Paragraph 1 this Article with value less than 20% (twenty percent) of VPBank's charter capital indicated in the latest audited financial statement shall be required to be approved by the Board of Directors. In this case, the legal representative shall send the contract to members of the Board of Directors; post at the head office and branches of the bank or notify the main contents of the contract. The Board of Directors shall decide on the approval of the contract within fifteen (15) days from the date of posting; members having related interests have no right to vote.
  4. Contracts specified in Paragraph 1 of this Article, signed and performed without approval of the General Meeting of Shareholders and the Board of Directors as provided in Paragraph 2, Paragraph 3 of this Article shall be invalid and treated in accordance with provisions of applicable laws. The related persons specified in Point a), b), c) and d) Paragraph 1 of this Article and individuals of VPBank participating in decisions making, signing, and implementation of such contracts shall compensate VPBank for all damage arising, return to VPBank all the benefits gained from the performance of such contracts.

**Article 35. Remunerations, salaries and other benefits of members of the Board of Directors, Supervisory Board, and the Chief Executive Officer<sup>28</sup>**

Remunerations, salaries and other benefits of members of the Board of Directors and Supervisory Board, the Chief Executive Officer shall be considered and decided by the General Meeting of Shareholders and the Board of Directors in compliance with provisions in this Charter and related provisions of applicable laws.

**SECTION II: THE GENERAL MEETING OF SHAREHOLDERS**

**Article 36. The General Meeting of Shareholders<sup>29</sup>**

1. All shareholders with voting rights constitute the General Meeting of Shareholders that acts as the highest decision-making body of VPBank.
2. A shareholder shall be entitled to authorize one or more individuals to perform his/her rights in accordance with applicable laws; in case there are more than one authorized representatives , it

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<sup>28</sup> Article 29, Decree 59.

<sup>29</sup> Article 96, Law on Enterprises.

shall be required that the number of shares and votes of each authorized representative is specified clearly. The appointment, termination or replacement of representative authorization shall be notified in writing to the head office of VPBank as soon as possible. The notice shall be required to have the following main contents:

- a) Name, resident address, nationality, the number and the date of the decisions on establishment and business registration of shareholder;
- b) Number of shares, types of shares and date of registration of the shareholders at VPBank;
- c) Name, resident address, nationality, number of identity card, passport or other lawful personal certification of the authorized representatives;
- d) Number of authorized shares;
- e) The duration of authorization;
- f) Full name, signature of authorized representatives and the legal representative of the shareholders.

### **Article 37. Tasks and Powers of the General Meeting of Shareholders**<sup>30</sup>

1. To approve development orientations of VPBank.
2. To decide on the amendment, supplementation to the Charter of VPBank.
3. To approve internal regulations on organization and operation, functions, responsibilities, powers of the Board of Directors and the Supervisory Board.
4. To decide on the number of members of the Board of Directors, the Supervisory Board in each office term; to elect, dismiss, remove from office, add members to or replace members of the Board of Directors, the Supervisory Board in accordance with provisions on the criteria and conditions specified in this Charter and other related provisions of applicable laws.
5. To decide on remunerations, bonus and other benefits of members of the Board of Directors, Supervisory Board and the operating budget of the Board of Directors, Supervisory Board.
6. To consider and handle violations of the Board of Directors, Supervisory Board which cause damages to VPBank and VPBank's shareholders within its competence.
7. To decide on the organizational structure and managerial and executive apparatus of VPBank.
8. To adopt plans on adjustment of the charter capital and share offering plans covering types and quantity of new shares to be offered.
9. To adopt the repurchase of sold shares according to provisions of this Charter and other related provisions of applicable laws.
10. To adopt plans on the issue of convertible bonds.
11. To adopt annual financial reports and plans on distribution of profits after VPBank's tax and other financial obligations are fulfilled.
12. To adopt the reports of the Board of Directors and Supervisory Board on the performance of their assigned tasks and powers.
13. To decide on the establishment of subsidiary companies.
14. To decide on the division, split-up, integration, merger, transformation or dissolution of, or to request a court to open bankruptcy procedures for VPBank.

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<sup>30</sup> Article 96, Law on Enterprises; Article 59, Law on Credit Institutions.

15. To adopt plans for contribution of capital to and purchase of shares of enterprises or other credit institutions which account for 20% or more of VPBank's charter capital indicated in the latest audited financial statement.
16. To decide to invest in, buy or sell the assets which account for 20% or more of VPBank's charter capital as indicated in the latest audited financial statement.
17. To approve contracts valued at over 20% of VPBank's charter capital indicated in the latest audited financial statement between VPBank and members of the Board of Directors or Supervisory Board, the Chief Executive Officer, major shareholders, related persons of managerial officers, members of the Supervisory Board or major shareholders of VPBank; Subsidiary companies or associated companies of the VPBank;
18. To decide on solutions to major financial changes of VPBank.
19. Other tasks and powers according to this Charter and the related provisions of applicable laws.

### **Article 38. General Meeting of Shareholders<sup>31</sup>**

1. The meeting of shareholders shall be required to be held annually or extraordinarily; at least once per year. The venue of the General Meeting of Shareholders shall be required to be within the territory of Vietnam.
2. Annual meeting of shareholders shall be required to be convened by the Board of Directors within four months from the last date of fiscal year. Upon a request of the Board of Directors, this time limit shall be entitled to be extended to no more than six (06) months since the last day of a fiscal year by the business registration agency. Annual meeting of shareholders shall discuss and approve the following contents:
  - a) The annual financial report;
  - b) Report of the Board of Directors on evaluation of the business management of VPBank;
  - c) Report of the Supervisory Board on the management of the Board of Directors, Director or Chief Executive Officer;
  - d) Dividends for each type of shares;
  - e) Other issues within its competence.
3. The Board of Directors shall convene extraordinary meeting of shareholders within sixty (60) days if required or if one of the following cases happens. If the extraordinary meeting of shareholders shall be not convened, Chairperson of the Board of Directors shall take all responsibilities to the law and compensate VPBank for all damages caused:
  - a) The Board of Directors considers such meeting necessary for the benefits of VPBank;
  - b) Members of the Board of Directors are reduced to a number smaller than that stipulated by law, including the case of not enough independent members of the Board of Directors;
  - c) Number of members of the Board of Directors or Supervisory Board shall be less than two-thirds of the total members of that term;
  - d) To decide issues within competence of the General Meeting of Shareholders which shall be shall be required to be approved by voting at the meeting by law;

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<sup>31</sup> Article 97, Law on Enterprise; Articles 59, 60, Law on Credit Institutions.

- e) At the request in writing of a major shareholder or group of shareholders holding in excess of 10% of the total common shares for at least six (06) consecutive months in cases according to Paragraph 3 Article 79 of the Law on Enterprises. The request for convening meeting of the shareholders shall be in compliance with Paragraph 3 Article 79 of the Law on Enterprises;
  - f) At the request of the Supervisory Board;
  - g) At the request of the State Bank in case there shall be an event which affects the prudence of VPBank's operation;
  - h) Other cases in accordance with provisions of this Charter and of applicable laws.
4. In case the Boards of Management fails to convene the General Meeting of Shareholders as specified in Paragraph 3 this Article, the Supervisory Board in replacement of the Board of Directors shall convene the General Meeting of Shareholders within the next thirty (30) days. If the Supervisory Board fails to convene the General Meeting of Shareholders as stipulated, Head of the Supervisory Board shall be liable to the law for any damages caused to VPBank.
  5. In case the Supervisory Board fails to convene the General Meeting of Shareholders as stipulated in Paragraph 4 of this Article, a shareholder or group of shareholders stipulated in Point e Paragraph 3 of this Article in replace of the Board of Directors, the Supervisory Board shall have right to convene the General Meeting of Shareholders. In this case, such a shareholder or group of shareholders shall be entitled to request the business registrar to supervise the convocation of the meeting if necessary.
  6. The conveners shall be required to make the list of shareholders who have the right to attend the General Meeting of Shareholders, provide information and resolve complaints related to the list of shareholders, prepare the agenda and contents of the meeting, determine time and place, send the written invitation to each attending shareholders in accordance with provisions of this Charter and applicable laws.
  7. Reasonable expenses for convening and conducting the General Meeting of Shareholders as stipulated in Paragraph 3, 4 and 5 of this Article shall be refunded by VPBank.

**Article 39. Attendance right in the General Meeting of Shareholders<sup>32</sup>**

1. Individual shareholders and the authorized representatives of institutional shareholders shall be entitled to directly organize or authorize another person to attend the meeting of Shareholders. Institutional shareholders who do not have authorized representative as stipulated in Paragraph 2 Article 36 of this Charter shall be required to authorize a person to attend the meeting.
2. The authorization documents shall be required to be made in writing with the form of VPBank and signed by:
  - a) The shareholder and the authorized person if the authorizing person shall be an individual shareholder.
  - b) The authorized representative, legal representative of shareholder and authorized person if the authorizing person shall be authorized representative of an institutional shareholder.

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<sup>32</sup> Article 101, Law on Enterprises.



- c) The legal representative of shareholder and the authorized person in other case. The authorized person attending the General Meeting of Shareholders shall be required to submit the authorization document before entering the meeting.
3. Votes of authorized person attending within the scope of authorization shall remain valid in the case where the authorizing person is dead or his civil act capacity has been lost or restricted or the authorizing person terminates the authorization, except in the case where the VPBank's Board of Directors has received notice in writing about such events at least twenty four hours prior to the opening time of the meeting.
4. In the case where shares are transferred during the period from the date of completion of the list of shareholders to the opening date of the meeting, the transferees shall be entitled to attend the meeting in place of the transferors in respect of the transferred shares.
5. Numbers of authorized persons attending the General Meeting of Shareholders
  - a) An individual shareholder shall authorize for a maximum of one person to attend the General Meeting of Shareholders;
  - b) An institutional shareholder holding less than 10% of the total common shares shall authorize one person for maximum to attend the General Meeting of Shareholders;
  - c) An institutional shareholder holding 10% or more of the total common shares shall authorize three persons for maximum to attend the General Meeting of Shareholders.

**Article 40. List of shareholders eligible to attend the General Meeting of Shareholders<sup>33</sup>**

1. The list of shareholders eligible to attend General Meeting of Shareholders shall be made based on the register of shareholders of VPBank. The list shall be made as soon as the decision on convocation of the meeting shall be adopted and shall be required to be completed no later than thirty (30) days<sup>34</sup> prior to the opening date of the meeting.
2. The list of shareholders shall be required to contain the full name, resident address, nationality, number of the identity card, passport or other relevant personal certification of the individual shareholders; name, address of the head office, nationality, number of establishment or registration of the institutional shareholders; number of shares of each type, number and date of shareholder registration.
3. Shareholders are entitled to check, review, extract and copy the list of shareholders eligible to attend the General Meeting of Shareholders; to ask for correction of inaccurate information thereof.

**Article 41. Agenda and contents of the General Meeting of Shareholders<sup>35</sup>**

1. Person who convenes the General Meeting of Shareholders shall be responsible for preparing the list of shareholders eligible to attend the meeting and to vote; prepare the agenda and documents for the meeting and the draft resolution proposed to be adopted, determine the time and venue of the meeting and send invitations to all shareholders eligible to attend the meeting.

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<sup>33</sup> Article 98, Law on Enterprises.

<sup>34</sup> Law on Enterprises allows the Charter to regulate the shorter period.

<sup>35</sup> Article 99, Law on Enterprises.

2. A shareholder or group of shareholders holding in excess of 10% of the total common shares of VPBank for at least consecutive six months shall be entitled to recommend the issues to be included in the meeting agenda. Such recommendation shall be required to be in writing and send to VPBank no later than seven (07) working days<sup>36</sup> prior to the opening date of such a meeting. The recommendation shall be required to explicitly state name of shareholder, total number of shares of each type of the shareholder, number and date of shareholder registration and issues proposed to be included in the meeting agenda.
3. Person who convenes the General Meeting of Shareholders shall be entitled to have the right to refuse the recommendation as stipulated in Paragraph 2 this Article only if:
  - a) That recommendation is not sent within the time limit or does not contain all information as required;
  - b) Issues that are proposed to be included in the meeting agenda do not fall within competence of the General Meeting of Shareholders ;
  - c) The recommendation of shareholders is not for VPBank's general benefits.<sup>37</sup>
4. Except for the events provided in Paragraph 3 of this Article, persons who convenes the General Meeting of Shareholders shall be required to accept and incorporate the recommendation made in pursuant to Paragraph 2 this Article into the meeting agenda and contents; the recommendation shall be officially added to the meeting agenda and contents if it is approved by Shareholders' General Meeting.

#### **Article 42. Invitation of the General Meeting of Shareholders<sup>38</sup>**

1. Person who convenes the General Meeting of Shareholders shall be required to send a meeting invitation to all shareholders eligible to attend the meeting of shareholders no later than seven (07) working days<sup>39</sup> prior to the opening date of the meeting, specifically:
  - a) The meeting invitations shall be sent by a guaranteed method to shareholders' resident addresses or other shareholders' addresses registered to VPBank;
  - b) The meeting invitations shall be required to include: name, address of the head office, number and issuing date of the certificate of business registration, place of business registration of VPBank; name and resident address of shareholders or their authorized representatives, time and venue of the meeting;
2. The meeting invitations shall be required to be enclosed with a standard form of authorization, meeting agenda, a vote as well as discussion documents as a basis to adopt decisions and draft resolution on the issues proposed to be adopted at the meeting.
3. The meeting invitations and other relevant attached materials shall be required to be posted on the website of VPBank and invitations shall be sent to shareholders at the same time.
4. In case, the meeting agenda include the voting of members of the Board of Directors, members of the Supervisory Board, the Board of Directors shall notify the shareholders who are entitled to attend of the number of members expected to be elected, added, conditions and criteria for

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<sup>36</sup> According to the Law on Enterprises, this period shall be 03 days, however, the Charter shall be allowed to change.

<sup>37</sup> Law on Enterprises allows the addition of rejection cases in the Charter.

<sup>38</sup> Article 100, Law on Enterprises.

<sup>39</sup> Law on Enterprises allows different periods for the Charter.

each title at least thirty (30) days before the meeting for shareholders to nominate candidates to participate in election as provided by law.<sup>40</sup>

**Article 43. Conditions for proceeding the General Meeting of Shareholders<sup>41</sup>**

1. The General Meeting of Shareholders shall be entitled to take place if all shareholders and/or legally authorized persons who attend represent at least 65% of total voting shares.
2. If the first meeting fails to take place due to failure to satisfy conditions as stipulated in Paragraph 1 of this Article, the second meeting shall be convened within thirty (30) days from the proposed opening date of the first meeting. The second meeting shall be entitled to take place if all attending shareholders represent at least 51% of total voting shares.
3. In the case where the second meeting fails to open due to failure to satisfy conditions as stipulated in Paragraph 2 of this Article, the third meeting shall be convened within twenty (20) days from the proposed opening date of the second meeting. The third meeting shall always be entitled to take place regardless of the number of attending shareholders as well as their proportion of voting shares.
4. Any changes in the meeting agenda enclosed with the meeting invitations as stipulated in Article 43 of this Charter shall be able to be done only by the General Meeting of Shareholders.

**Article 44. Formality and voting method of the General Meeting of Shareholders<sup>42</sup>**

1. The chairperson, secretary and vote scrutiny committee of the General Meeting of Shareholders shall comply with the following provisions :
  - a) The Chairperson of the Board of Directors shall act as chairperson of all meetings which are convened by the Board of Directors; if the Chairperson shall be absent or shall be temporarily unable to work, the remaining members of the Board of Directors shall elect one of them to act as the chairperson of the meeting; if no one is selected to be the chairperson, the highest ranking member of the Board of Directors shall temporarily chair the General Meeting of Shareholders to vote for a meeting chairperson who receives the highest votes;
  - b) In other cases, the person who signs decision to convene the General Meeting of Shareholders shall temporarily chair the meeting to vote for a meeting chairperson who receives the highest votes;
  - c) The chairperson shall be entitled to select no more than two people to run the meeting together;
  - d) The chairperson shall nominate a person to act as secretary to prepare minutes of the General Meeting of Shareholders.
  - e) The General Meeting of Shareholders shall elect a vote scrutiny committee to be

<sup>40</sup> Paragraph 1, Article 11, Circular 06/2010/TT-NHNN dated 26/02/2010.

<sup>41</sup> Article 102 of Law on Enterprises.

<sup>42</sup> Article 103 of Law on Enterprises.

comprised of not more than three people based on recommendation of the chairperson.<sup>43</sup>

2. To register for the meeting:
  - a) In the opening date, shareholders and authorized representatives shall be required to come to the place of meeting on time as noticed to register to attend the meeting. Time for registration shall comply with the meeting invitation;
  - b) Upon registration, participants shall be provided with voting papers or voting cards corresponding to the number of issues to be voted in meeting's agenda;
  - c) After the time for the registration, the chairperson shall be entitled to start the meeting if the minimum conditions for the meeting to take place have been satisfied, not be required to wait for all shareholders to start the meeting;
  - d) Shareholders or authorized representatives come after the opening of the meeting shall be also entitled to register and shall be entitled to vote right afterward. In this case, validity of these votes shall be not affected. The chairperson shall be not entitled to suspend the meeting to enable late comers to register.
3. Meeting agenda and contents shall be required to be adopted by the General Meeting of Shareholders in the opening session. Agenda shall be required to define in details time schedule for discussing each matter.
4. The chairperson and secretary of the meeting have the right to resort to necessary methods to chair the meeting appropriately to ensure orderly, and in compliance with agenda adopted and reflecting desire of majority of participants.
5. The General Meeting of Shareholders shall discuss and vote on each issue or group of issues of meeting agenda. In case of voting by card, the voting shall be conducted by way of counting votes for first, then the votes against, and finally collecting the votes for, against and abstentions. Each voting cards may be designed to use for several issues. The chairperson shall announce the results of the voting counts prior to the closing of meeting.
6. Before and during the meeting, the chairperson or the convenor of the General Meeting of Shareholders (in case the chairperson is not identified) shall have the following rights:
  - a) To require all people attending the meeting to be checked or subject to other security measures;
  - b) Request competent agencies to maintain order during the meeting; to expel from the General Meeting of Shareholders anyone who fails to comply with the chairperson's right to control the meeting, who intentionally disrupts or prevents normal progress of the meeting or who fails to comply with a request to undergo a security check.
7. The chairman shall have the right to adjourn the General Meeting of Shareholders for which sufficient attendees have registered as required by the regulations to another time or to

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<sup>43</sup> Law on Enterprises stipulated it shall be three people save the Charter stipulated differently on this matter.

change the location of the meeting in the following cases:

- a) There shall be not enough space for the participants at the current meeting venue;
  - b) One or more participants disturb or obstruct the meeting so that the meeting shall not be able to proceed fairly and legally.
  - c) The maximum time for any adjournment of a meeting shall be three days since the date of the proposed opening of the meeting.
8. In a case where the chairman adjourns or postpones a General Meeting of Shareholders contrary to the provisions in this Article, the General Meeting of Shareholders shall elect another person from the attendees to replace the chairman in conducting the meeting until its completion, and the effectiveness of voting conducted at such meeting shall not be affected.
9. If necessary, the General Meeting of Shareholders shall be entitled to decide the formality and voting method in a way different from being stipulated in this Article.

#### **Article 45. Ratification for the decisions of the General Meeting of Shareholders**

1. The General Meeting of Shareholders shall adopt decisions within its competence in the form of voting at meeting or collecting opinions in writing.
2. Decision of the General Meeting of Shareholders shall be required to be adopted in form of voting at meeting in the following cases:<sup>44</sup>
  - a) To adopt development orientations of VPBank;
  - b) To decide on the number of members of the Board of Directors and Supervisory Board for each term of office ; to elect, remove from office, dismiss, add or replace any member of the Board of Directors or the Supervisory Board in conformity with the criteria and conditions stipulated in this Charter and related provisions of applicable laws;
  - c) To consider and handle within its competence violations of the Board of Directors and Supervisory Board which cause damages to VPBank or VPBank's shareholders;
  - d) To decide on the division, split-up, merger, integration, transformation of the legal form, dissolution, or to request a court to open bankrupt procedures for VPBank;
3. Decisions of the General Meeting of Shareholders shall be adopted if they can fully satisfy following conditions:
  - a) They are approved by shareholders representing over 51% (fifty one percent) of the total votes of all attending shareholders /shareholders voting by a written approval;
  - b) Decisions on the issues stipulated in Paragraphs 2, 8, 14, 16 of Article 37 of this Charter shall be required to be approved by shareholders representing over 65% (sixty five percent) of total votes<sup>45</sup> of all attending shareholders or all shareholders voting by a written

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<sup>44</sup> Item 4 Article 59 Law on Credit Institutions

<sup>45</sup> Law on Credit Institutions stipulated that it is more than 65% or other higher rate stipulated in the Charter.

- approval;
- c) The election of members of the Board of Directors and Supervisory Board shall be required to be performed in the form of accumulated ballots, whereby number of votes given to each shareholder shall be equal to the total number of their shares multiplied by the number of members of the Board of Directors and the Supervisory Board to be elected; a shareholder shall be entitled to give all his votes to one or several candidates.
4. Decisions adopted by number of attending shareholders or authorized persons representing 100% of the total number of voting shares shall be lawful and valid even if order and procedures for convening the meeting and agenda, formality of the meeting is not properly performed. .
  5. Decisions of the General Meeting of Shareholders shall be announced to shareholders eligible to attend the meeting within fifteen (15) days from the date of the adoption of the decision.

**Article 46. Authority and procedures for obtaining written opinions of the General Meeting of Shareholders <sup>46</sup>**

1. The Board of Directors shall have the right to obtain written opinions from shareholders in order to adopt a decision of the General Meeting of Shareholders at any time if it is necessary for VPBank's benefits.
2. The Board of Directors shall be required to prepare written opinion forms, a draft of the decision of the General Meeting of Shareholders and other documents explaining for such draft of decision. The written opinion form together with the drafted resolution of the General Meeting of Shareholders and other documents explaining the draft resolution shall be required to be sent by a means which is guaranteed to reach the permanent address of each shareholder (or other address registered with VPBank by each shareholder).
3. The written opinion form shall be required to contain the following contents:
  - a) Name, address of the head office of VPBank;
  - b) Purpose of obtaining written opinions;
  - c) Issues on which it shall be necessary to obtain written opinions in order to adopt a resolution;
  - d) Voting options which consist of agreement, disagreement, or no opinion;
  - e) Time-limit within which the completed written opinion form shall be required to be returned to VPBank;
  - f) Full name and signature of the Chairperson of the Board of Directors or another person who is authorized to sign the opinion form by the Chairperson of the Board of Directors.
4. The opinion forms returned to VPBank shall be required to contain the signature of a shareholder being an individual and of the legal representative or of the authorized

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<sup>46</sup> Article 105 of Law on Enterprise.

- representative of a shareholder being an organization.
5. The opinion form returned to VPBank shall be required to be put in a sealed envelope and no one shall be permitted to open the envelope prior to the counting of the votes. Any opinion forms returned to VPBank after the expiry of the time-limit stated in the opinion form or any form which has been opened shall be invalid.
  6. The Board of Directors shall conduct the vote scrutiny and prepare the minutes in witness of the Supervisory Board or shareholders who are not managerial officers of VPBank. The minutes shall be required to contain the following contents:
    - a) Name, address of the head office of VPBank;
    - b) Purposes and issues subject to the written opinion obtained to adopt a resolution;
    - c) Number of shareholders with total numbers of votes cast, classified into valid and invalid votes, with an enclosed the appendix listing the shareholders who have voted.
    - d) Total number of votes for, against and abstentions on each issue voted upon;
    - e) Decisions which have been adopted;
    - f) Full name and signature of the Chairperson of the Board of Directors or another person authorized by the Chairperson of the Board of Directors and of the person who supervises the vote scrutiny.
  7. The members of the Board of Directors and the person who supervise the vote scrutiny shall be required to be jointly responsible for the truthfulness and accuracy of the minutes of vote scrutiny and shall be jointly liable for any damage arising from decisions adopted due to dishonest or inaccurate vote scrutiny;
  8. The minutes of vote scrutiny results shall be required to be sent to all shareholders within fifteen (15) days since the ending of the vote scrutiny. All resolutions and decisions adopted by the General Meeting of Shareholders in this way shall be required to be sent to the State Bank.
  9. The returned opinion votes, minutes of vote scrutiny and the full text of adopted resolution and other related documents that are attached with the opinion form shall be required to be retained at the head office of VPBank.
  10. A decision which shall be adopted by the form of obtaining written opinions of shareholders shall have the same validity as a decision adopted at the General Meeting of Shareholders.

**Article 47. Minutes of the General Meeting of Shareholders<sup>47</sup>**

1. All meeting of shareholders shall be required to be recorded in the book of meeting minutes of VPBank. The meeting minutes shall be required to be prepared in Vietnamese and may be also in a foreign language and shall be required to contain the following contents:

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<sup>47</sup> Article 106 of Law on Enterprise.

- a) Name, address of the head office, number and issuance date of the business registration certificate, place of business registration of VPBank;
  - b) Time and venue of the meeting;
  - c) Agenda and contents of the meeting;
  - d) Chairperson and secretary;
  - e) Summary of the meeting progress and opinions made at the meeting on each issue set out in the meeting agenda;
  - f) Numbers of shareholders and total votes of the attending shareholders; the appendix listing the shareholders who have registered to attend the meeting or their authorized representatives together with their shares and their corresponding votes;
  - g) Total of votes for each issue voted on, specifying total number of votes for, against and abstentions; the corresponding to percentage compared to the total votes of attending shareholders; Total number of votes for each issue voted on, specifying the number of votes, for, against, and abstentions; and the corresponding percentage on the total number of votes of shareholders attending the meeting
  - h) Adopted decisions;
  - i) Full names, signatures of chairperson and secretary.
2. The minutes shall be required to be made in Vietnamese and maybe in another foreign language and the two versions shall have the same legal validity. In the event where the two versions differ in contents, the version in Vietnamese shall prevail.
  3. The meeting minutes shall be required to be completed and approved before the closing of the meeting.
  4. The chairperson and secretary of the meeting shall be required to be jointly responsible for the truthfulness and accuracy of the meeting minutes.
  5. The meeting minutes shall be required to be sent to all shareholders within a period of 15 days since the closing of the meeting.
  6. Within a period of 15 days since the closing of the meeting, all decisions adopted by the General Meeting of Shareholders shall be required to be sent to the State Bank.
  7. The meeting minutes, the appendix listing the shareholders who have registered to attend the meeting and the full text of resolutions which have been adopted and other relevant documents attached with the meeting invitation shall be required to be retained at the head office of VPBank.

**Article 48. Requirement for revocation of the General Meeting of Shareholders's decisions<sup>48</sup>**

1. Within ninety (90) days from the receipt of the meeting minutes or the minutes of voting

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<sup>48</sup> Article 107 of Law on Enterprise.



results for obtaining opinions of the General Meeting of Shareholders, shareholders, members of the Board of Directors or the Supervisory Board or Chief Executive Officer shall have the right to request the Court or Arbitrator to consider and revoke the decisions of the General Meeting of Shareholders in the following cases:

- a) The order and procedures for convening the General Meeting of Shareholders are not performed in accordance with provisions of this Charter and of Law on Enterprises;
  - b) The order and procedures for decisions of the General Meeting of Shareholders and the contents thereof are contrary to provisions of applicable laws or this Charter.
2. The order and procedures for handling such cases at the Court, Arbitrator shall be implemented in accordance with relevant provisions of applicable laws.

### **SECTION III: THE BOARD OF DIRECTORS**

#### **Article 49. Composition, structure and term of office of the Board of Directors<sup>49</sup>**

1. The Board of Directors shall be a management body of VPBank, which shall be entitled to act on behalf of VPBank in determining, exercising all rights and obligations of VPBank except those falls within the competence of the General Meeting of Shareholders .
2. The Board of Directors of VPBank shall have at least 05 members and not more than 11 members; the specific number of members shall be decided by the General Meeting of Shareholders . At least ½ (one half) of total members of Board of Directors shall be required to be non-executive officers and independent members, among which there shall be at least 01 independent member. Chairperson of the Board of Directors may be an independent member.
3. An individual and his/her related person or representatives of contributed capital of an institutional shareholders and their related person shall be entitled to participate in the Board of Directors, but account for not more than 1/3 (one third) of total members of the Board of Directors, except for the case of representatives of the State's contributed capital.
4. The term of office of the Board of Directors shall be 05 years. The term of office of each member of the Board of Directors shall be not more than 05 years. Members of the Board of Directors shall be entitled to be re-elected or re-appointed for unlimited number of terms of office. The added members or substituting members of the Board of Directors shall have term of office as the remaining one of the Board of Directors. The Board of Directors of the past term of office shall work until the new Board of Directors take over the tasks.
5. Foreign shareholders participating in the Board of Directors shall be required to satisfy the following additional conditions:
  - a) To comply with provisions on persons who are not authorized to concurrently undertake different titles stipulated in this Charter and applicable laws;
  - b) Not to be entitled to be the Chairperson of the Board of Directors of VPBank.

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<sup>49</sup> Article 62 of Law on Credit Institutions.

6. In the case where the number of members of the Board of Directors shall be lower than 2/3 (two third) of total members for that term of office pursuant to the decision of the General Meeting of Shareholders or less than the minimum number of members pursuant to applicable laws, VPBank shall be required to carry out to add fully the members for the Board of Directors in conformity with the relevant laws within 60 days from the date on which such insufficiency occurs.
7. The Board of Directors shall use VPBank's seal to perform its tasks.
8. The Board of Directors shall be assisted by the Secretary and the Board of Directors' Office. Functions and tasks of the assistance mechanism for the Board of Directors shall be decided by the Board of Directors.
9. The Board of Directors shall be authorized to set up committees, councils to perform its tasks and powers, specifically:
  - a. The Board of Directors shall be required to establish Risk Management Committee and Personnel Committee and determine the decision mechanism for proposals of these two committees. One committee shall be required to have at least 3 members including a Head of the Committee who is a member of the Board of Directors and others member who are decided, appointed, dismissed in accordance with provisions in this Charter. A member of the Board of Directors shall be entitled to be the Head of only one committee, the Risk Management Committee shall be required to have at least one member who is an independent member of the Board of Directors.
  - b. The Board of Directors shall stipulate the regulations, functions, duties and powers of the committees, councils stated above and other committees and councils in accordance with provisions of the State Bank and applicable laws.

**Article 50. Criteria and conditions to be a member of the Board of Directors<sup>50</sup>**

1. A member of the Board of Directors shall be required to satisfy the following criteria and conditions:
  - a) Being other than those prohibited from managing enterprises pursuant to Law on Enterprises;
  - b) satisfying provisions of Article 26, Article 27 of this Charter;
  - c) having full civil act capacity, professional ethics pursuant to provisions of Article 32 and Article 33 of this Charter;
  - d) Being an individual shareholder or a person authorized to represent a shareholder owning at least 5% of the bank's charter capital except for those who are independent members of the Board of Directors or have a bachelor degree or a higher degree in one of the following majors: economics, business management, law, or those who have ever worked at the management position of a credit institution or enterprise doing business in the fields of

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<sup>50</sup> Article 50 of Law on Credit Institutions

- insurance, securities, accounting, auditing for at least 03 years, or have ever worked directly in professional banking, finance, auditing or accounting for at least 05 years.
2. An independent member of the Board of Directors shall be required to satisfy not only the criteria and conditions specified in Paragraph 1 of this Article but also the following conditions:
- a) Neither currently working for VPBank or VPBank's Subsidiary companies nor having ever worked for VPBank or VPBank's Subsidiary companies for the 03 preceding years;
  - b) Not receiving salary or regular remunerations from VPBank other than allowances for members of the Board of Directors under regulations;
  - c) Not having a spouse, father, foster father, mother, foster mother, child, foster child, sibling or spouses of these persons who are major Shareholders of VPBank, managerial officers or members of the Supervisory Board of VPBank or VPBank's subsidiary company;
  - d) Not being a manager or a member of the the Supervisory Board of VPBank at any time within the 05 preceding years;
  - e) Neither directly nor indirectly owning or representing ownership of 1% or more of the charter capital or the voting share capital of VPBank;
  - f) Not in conjunction with a related person as stipulated in Point p, Item 1, Article 1 of this Charter holding 5% or more of the charter capital or the voting share capital of VPBank.

**Article 51. Tasks and Powers of the Board of Directors<sup>51</sup>**

1. The Board of Directors has the following tasks and powers:
- a) To decide the strategy, medium-term development plan and annual business plan of VPBank.
  - b) To decide the organizational structure of internal audit division (based on the recommendation of the Supervisory Board) and branches, Subsidiary companies, representative offices, non-productive units of VPBank.
  - c) To decide the establishment of branches, representative offices, non-productive units and on all amendment, supplementation related to the establishment of these branches, representative offices, non-productive units.
  - d) To appoint, remove from office, dismiss, discipline, suspend, and decide on salary and other benefits for the Chief Executive Officer, Deputy Chief Executive Office, Chief Accountant, Secretary of the Board of Directors, members of the internal audit division; Director of Transaction Center, branches, Subsidiary companies, non-productive units; chief of representative offices and other titles within the Board of Directors's competence pursuant to internal regulations issued by the Board of Directors.
  - e) To adopt plans on contribution of capital and purchase of shares of enterprises or other

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<sup>51</sup> Article 108 of Law on Enterprise; Article 63 of Law on Credit Institutions; Article 46 of Decree No. 59

- credit institutions which account for less than 20% of the charter capital of VPBank which is indicated in the latest audited financial statement.
- f) To appoint representative for the contributed capital of VPBank at other enterprises and credit institutions.
  - g) To decide to invest in, purchase and sell assets which account for less than 20% of the charter capital of VPBank which is indicated in the latest audited financial report in accordance with provisions on safety in banking activity of VPBank, . The Board of Directors shall be entitled to rank the specific competence within this scope in accordance with internal regulations issued by the Board of Directors.
  - h) To decide transaction contracts of VPBank as stipulated in Paragraph 3 Article 34 of this Charter.
  - i) To decide selecting independent audit organisation.
  - j) To examine, supervise and direct the Chief Executive Officer in performing his assigned tasks; to evaluate annually the performance of the Chief Executive Officer.
  - k) To issue internal regulations related to organization, management and operation of VPBank in accordance with applicable laws, except for the issues falling under the competence of the Board of Directors or the General Meeting of Shareholders.
  - l) To decide on risk management policies and supervise the implementation of risk prevention methods of VPBank.
  - m) To review, approve, and disclose annual reports and financial reports of VPBank in accordance with applicable laws.
  - n) To select professional evaluation institutions to evaluate assets which are not Vietnam's currency, freely convertible foreign currencies and gold in accordance with applicable laws.
  - o) To submit to the Governor of the State Bank for approval or ratification of issues in accordance with applicable laws.
  - p) To propose the re-organization, dissolution or bankruptcy of VPBank.
  - q) To decide to offer new shares within the limit of shares of each type entitled to be offered.
  - r) To decide on offer prices of shares and convertible bonds of VPBank.
  - s) To decide on plan of issuing bonds of VPBank, except for convertible bonds.
  - t) To decide to repurchase shares of VPBank in accordance with provisions of this Charter and applicable laws.
  - u) To submit the annual financial report to the General Meeting of Shareholders.
  - v) To propose the plan on distributions of payable profits and dividends; to determine the time period and procedures for paying dividends or handling losses arising in business.

- w) To prepare relevant contents and documents for submission to the General Meeting of Shareholders to decide on issues within its competence, except for issues within the competence of the Supervisory Board.
  - x) To approve operation schemes and plans of the Board of Directors; schemes, contents and documents used for the meeting of General Meeting of Shareholders; to convene the meeting of the General Meeting of Shareholders or obtain written opinions of Shareholders in order to adopt the decisions or resolutions of the General Meeting of Shareholders.
  - y) To organize, implement, examine and supervise the performance of resolutions or decisions of the General Meeting of Shareholders and the Board of Directors.
  - z) To perform other tasks and powers in accordance with provisions in this Charter and applicable laws.
2. When performing its functions and tasks, the Board of Directors shall be required to comply with provisions of applicable laws, this Charter and decisions of the General Meeting of Shareholders. If a decision adopted by the Board of Directors shall be in breach of provisions of applicable laws, this Charter or decisions of the General Meeting of Shareholders and causes damages to VPBank, members of the Board of Directors who have approved that decision shall be required to be jointly responsible for such decision and shall be required to compensate for VPBank; members who have disapproved of that decision shall be exempted from their responsibility.

**Article 52. Rights and Obligations of Chairperson of the Board of Directors<sup>52</sup>**

1. The Board of Directors shall elect, remove from office, and dismiss the Chairperson of the Board of Directors among the members of the Board of Director who have been elected by the General Meeting of Shareholders<sup>53</sup>. The Chairperson of the Board of Directors shall be required to be permanently resident in Vietnam during his term of office.
2. The Chairperson of the Board of Directors has following obligations and rights:
  - a) To set up routine, action plans of the Board of Directors;
  - b) To prepare or to arrange for preparing programs, contents and documents for meetings; to convene and chair meetings of the Board of Directors;
  - c) To organize the adoption of decisions of the Board of Directors;
  - d) To supervise the implementation of decisions of the Board of Directors;
  - e) To chair the meeting of the General Meeting of Shareholders;
  - f) To ensure that all members of the Board of Directors receive sufficient, objective and exact information and have enough time to discuss the issues to be considered by the Board of

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<sup>52</sup> Article 111 of Law on Enterprise; Article 64 of Law on Credit Institutions.

<sup>53</sup> Article 111 of Law on Enterprise stipulates that the General Meeting of Shareholders have the right to directly elect Chairman of the Board of Directors.

- Directors;
- g) To assign tasks to members of the Board of Directors. The specific tasks assigned to each member shall be required to be expressed in writing and signed by the Chairperson of the Board of Directors;
  - h) To supervise members of the Board of Directors performing assigned tasks as well as their general obligations and rights;
  - i) To evaluate the work performance of each member and committee of the Board of Directors at least once a year and report the evaluation results to the General Meeting of Shareholders;
  - j) To implement other rights and obligations in accordance with provisions of this Charter and applicable laws.
3. Where the Chairperson of the Board of Directors is absent, he shall be required to authorize a Vice Chairperson of the Board of Directors to perform his rights and obligations. If the Vice Chairperson of the Board of Directors is also absent, the Chairperson shall be entitled to authorize another member of the Board of Directors. If no member is authorized or the Chairperson is incapable of working, the other members shall elect with the principle of absolute majority for one of them to perform the temporarily rights and obligations of the Chairperson.

**Article 53. Rights and Obligations of members of the Board of Directors<sup>54</sup>**

- 1. To manage VPBank together with other members of VPBank in accordance with provisions of applicable laws and this Charter.
- 2. To perform obligations and rights of a member of the Board of Directors in accordance with internal regulations of the Board of Directors and tasks assigned by the Chairperson of the Board of Directors in an honest way for the benefits of VPBank and VPBank's Shareholders.
- 3. To study financial reports prepared by independent auditors, give opinions or request managerial officers, executive officers of VPBank, independent auditors and internal auditors to explain the issues related to these statements.
- 4. To elect, remove from office and dismiss the Chairperson of the Board of Directors.
- 5. To request the Chairperson of the Board of Directors to convene extraordinary meetings of the Board of Directors in accordance with provisions in this Charter.
- 6. To convene extraordinary meetings of the General Meeting of Shareholders in accordance with provisions in this Charter.
- 7. To attend meetings of the Board of Directors, discuss and vote on all issues falling within task and powers of the Board of Directors in accordance with provisions in this Charter, unless they are not allowed to vote due to benefit conflict issues. To take responsibility to the laws, the

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<sup>54</sup> Article 65 of Law on Credit Institutions.

General Meeting of Shareholders and the Board of Directors for their decisions.

8. To organize the implementation of decisions of the General Meeting of Shareholders and resolutions of the Board of Directors.
9. To take responsibility for explaining their implementation of assigned tasks to the General Meeting of Shareholders and the Board of Directors on if required.
10. To request the Chief Executive Officer, Deputy Chief Executive Officer or other managerial officers of VPBank to supply information and documents regarding the financial situation and business operation of VPBank, VPBank's units and VPBank's subsidiary companies<sup>55</sup>.
11. To perform other obligations and rights in accordance with provisions of this Charter and applicable laws.

**Article 54. Ratification for the decisions of the Board of Directors<sup>56</sup>**

1. The Board of Directors shall adopt its decisions in the maner of voting at meetings or obtaining written opinions. Each member of the Board of Directors shall have one vote.
2. When adopted in the maner of voting at meetings, decisions of the Board of Directors shall be adopted by the majority of "for" votes, including votes of attending members and of members who do not attend but vote by written opinions. In case no majority vote is established, final decision shall be adopted in favor of the Chairperson's vote.
3. When adopted in the maner of obtaining written opinions, decisions of the Board of Directors shall be adopted with at least 51% of approving votes of voting members of the Board of Directors.
4. Any member of the Board of Directors relating to a contract as stipulated in Article34 of this Charter shall be considered to have material benefits from such contract.
5. If the members of the Board of Directors, within their knowledge, find that they are in direct or indirect relation with a contract, an agreement or an expected contract or an expected agreement signed with VPBank, they are required to report on the nature of relevant benefits to the Board of Directors for the other members to consider entering into such contract or not. If the members of the Board of Directors find out their benefit relation only after the contract has been signed or in any other cases, they shall be required to report to the Board of Directors at the first meeting after finding out their related benefits.

**Article 55. Procedures of meetings of the Board of Directors<sup>57</sup>**

1. Meetings of The Board of Directors shall be held regularly or extraordinarily. A regular meeting of the Board of Directors shall be able to be convened by the Chairperson at any time when necessary but at least once a quarter. Meeting of the Board of Directors shalltake place at the head office of VPBank or another place. Meetings of the Board of Directors shall be held

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<sup>55</sup> Article 114 of Law on Enterprise.

<sup>56</sup> Article 108 of Law on Enterprise.

<sup>57</sup> Article 112 of Law on Enterprises.

- face-to- face, in the form of teleconference or videoconference.
2. The first meeting of the Board of Directors in a term of office shall be required to be convened within seven working days from the date when the election for the Board of Directors of such term shall be closed. This meeting shall be convened by the member who has gained the highest number of votes. If there are two or more members who have the same highest number of votes, members shall vote in the principle of absolute majority to select one of them to take responsibility to convene the meeting. In this meeting of the Board of Directors, the Chairperson of the Board of Directors shall be elected and other decisions within the competence of the Board of Directors shall be adopted.
  3. The Chairperson of the Board of Directors shall be required to convene a meeting of the Board of Directors in the following cases:
    - a) When requested by the Supervisory Board;
    - b) When requested by the Chief Executive Officer or at least of five other managerial officers;
    - c) When requested by at least two members of the Board of Directors;
    - d) Other cases stipulated in this Charter and relevant laws.
  4. The request above shall be required to be made in writing and shall be required to specify the purpose, issues which need to be discussed and decided within the competence of the Board of Directors. The Chairperson shall be required to convene meetings of the Board of Directors within 15 days from the receipt of the request. If the Chairperson fails to convene meetings of the Board of Directors as requested, he shall be responsible for any damages caused to VPBank; the person who has requested shall have the right to convene the meeting of the Board of Directors in replace of the Board the Directors.
  5. When convening a meeting, the convenor shall be required to send a meeting invitation at least five working days before the date of meeting. The invitation shall be required to specify time, place, and agenda, issues proposed to be discussed and decided. Other relevant meeting materials and voting paper shall be required to be attached to the meeting invitation. The meeting invitation shall be entitled to be sent by post, fax, email or other means that is required to ensure that the invitation reaches the registered address of each member of the Board of Directors. In urgent cases, the convenor shall be entitled to send the invitation 01working day prior to the date of meeting, relevant materials shall be sent right at the meeting. Details of the urgent cases, time and form of urgent meeting invitation for convening an urgent meeting shall be implemented in accordance with internal regulations issued by the Board of Directors.
  6. A meeting of the Board of Directors shall be conducted if there shall be an attendance of at least  $\frac{3}{4}$  (three fourths) of total members of the Board of Directors. Members who do not directly attend shall be entitled to authorize another member of the Board of Directors to vote or send a written vote. The written vote shall be required to be put in a sealed envelope and delivered to the Chairperson of the Board of Directors at least one hour prior to the opening of



the meeting. The written vote shall only be opened in the presence of all the participants in the meeting.

7. Members of the Board of Directors shall be entitled to authorize another person who is not a member of the Board of Directors if it is approved by majority of the members of the Board of Directors. The authorized representative in this case shall have no right to vote.
8. Members of the Board of Directors who have the benefits related to the issues which is decided by the Board of Directors shall be not permitted as well as authorized from other members of the Board of Directors to vote on such issues.
9. Meeting minutes of the Board of Directors<sup>58</sup>:
  - a) All meetings of the Board of Directors shall be required to be recorded in minutes. Meeting minutes shall be required to have the following main contents:
    - Name, address of the head office, number and date of issuance of the business registration certificate, place of business registration;
    - Purposes, agenda and contents of the meetings; time and venue of the meetings;
    - Full names of each attending member or their authorised persons; Names of members who do not attend the meetings and reasons for their absence;
    - Issues discussed and voted in the meetings; summary of opinions of each attending member under the meeting sequence;
    - Result of voting which indicates the members who agree, who do not agree and members who give no opinion;
    - Adopted decisions;
    - Full names and signatures of all attending members or their authorised persons. Minutes shall be required to indicate the reasons if any attending member does not sign the minutes; the votes of such members shall be invalid if no reason is indicated in the minutes. If meetings are held in the manner of teleconference or videoconference, within 07 working days from the date of meeting, all attending members shall be required to sign directly the meeting minutes.
  - b) Chairperson and secretary of the meetings shall be jointly liable for the accuracy and honesty of the meeting minutes.
  - c) Meeting minutes shall be required to be made in Vietnamese and shall be in a foreign language, the validity of the meeting minutes either in Vietnamese or foreign languages shall be the same. In case of any differences between the contents of the two versions, the Vietnamese version shall prevail.
  - d) All meeting minutes and other relevant materials used during the meetings shall be required to be retained at the head office of VPBank.

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<sup>58</sup> Article 113 of Law on Enterprise.

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**Article 56. Procedures for obtaining written opinions of members of the Board of Directors<sup>59</sup>**

1. The Chairperson of the Board of Directors shall decide to obtain written opinions of members of the Board of Directors.
2. Secretary of the Board of Directors shall prepare voting papers and other necessary documents relevant to the issues which require obtaining opinions. Voting papers and attached documents shall be required to be sent in the manner which ensure to reach address of each member of the Board of Directors.
3. Opinion forms shall be required to have the following basic contents:
  - a) Name, address of the head office, numbers and issuance dates of VPBank's establishment and operation license and business registration certificate;
  - b) Purposes of obtaining opinions;
  - c) Full names and contact addresses of members of the Board of Directors;
  - d) Issues which require obtaining opinions;
  - e) Voting options, including votes for, against and abstentions;
  - f) Deadline for returning completed opinion papers to VPBank;
  - g) Full name and signature of the Chairperson of the Board of Directors.
4. Completed papers shall be required to be signed by members of the Board of Directors and sent to VPBank in accordance with VPBank's regulations.
5. Secretary of the Board of Directors shall count the votes and make a minute of vote scrutiny under the supervision of at least one independent member of the Board of Directors or member of the Supervisory Board if the independent member of the Board of Directors has relevant benefits. The minute of vote scrutiny shall be required to cover the following major details:
  - a) Name and address of the head office, numbers and issuance dates of of VPBank's establishment and operation license and business registration certificate;
  - b) Purposes and issues to obtain opinions on;
  - c) Total numbers of votes which have been sent and obtained, numbers of valid and invalid votes. The minutes shall be required to be enclosed with a list of the members of the Board of Directors who have voted;
  - d) Total numbers of votesfor, against and abstentions on each issue;
  - e) Full names and signatures of the person in charge of vote scrutiny and the supervisor.
6. Secretary of the Board of Directors involved in obtaining written opinions from members of the Board of Directors and the supervisor shall take joint responsibility for the truthfulness and

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<sup>59</sup> Article 51 of Decree No. 59

accuracy of the minutes of vote scrutiny and for any damages arising from the decisions adopted as a result of untruthful and inaccurate vote scrutiny.

7. The minutes of vote scrutiny results attached to resolutions and decisions adopted by the Board of Directors based on vote scrutiny results shall be sent to members of the Board of Directors within 15 days after the completion of the vote scrutiny.
8. Completed opinion forms, minutes of counting vote, full text of adopted resolutions and related documents enclosed with completed opinion forms shall be retained at VPBank's head office.
9. A decision adopted by obtaining written opinions of members of the Board of Directors has the same validity as a decision adopted at a meeting of the Board of Directors.

#### **SECTION IV: THE SUPERVISORY BOARD**

##### **Article 57. The Supervisory Board<sup>60</sup>**

1. The Supervisory Board shall implement internal audit, inspect and assess the observance of the law, internal regulations, the Charter and resolutions, decisions of the General Meeting of Shareholders and the Board of Directors.
2. The Supervisory Board of VPBank shall be required to have at least 03 members and there shall be no restriction on the maximum number, the specific number of members of the Supervisory Board shall be decided by the General Meeting of Shareholders, of which at least ½ (one half) of the total members work in a full-time basis without concurrently holding other positions or doing other tasks at VPBank and other enterprises. The Supervisory Board shall elect a person to hold the title of Head of the Supervisory Board.
3. The Supervisory Board shall have an assistance division, internal audit division, and shall be entitled to use human resources of VPBank or outsource experts and organizations to perform its tasks.
4. A term of office of the Supervisory Board shall be for 5 years. A term of office of a member of the Supervisory Board shall not exceed 05 years. Members of the Supervisory Board shall be entitled to be re-elected or re-appointed for unlimited number of terms. The term of office of an added member or a member who replaced the member who is with natural loss of capacity or dismissed, removed from office in their term of office shall be the remaining time of such term. The Supervisory Board of the pervious term shall operate until the Supervisory Board of a new term take over its tasks.
5. When the number of members of the Supervisory Board shall be reduced by over 1/3 (one third) of the total number of the members of a term decided bythe General Meeting of Shareholders or smaller than the minimum number of members stipulated by the law, VPBank shall add sufficient members to the Supervisory Board within 60 days since the day that the number of members is insufficient.
6. Criteria and conditions for members of the Supervisory Board<sup>61</sup>:

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<sup>60</sup> Article 121 of Law on Enterprise; Article 44 of Law on Credit Institutions.

- a) To be at least of twenty one (21) years old, with full capacity of civil acts;
- b) To satisfy the conditions stipulated in Article 26 and 27 of this Charter;
- c) To possess professional ethics in accordance with Article 32 and Article 33 of this Charter;
- d) To have a bachelor degree or a higher degree in economics, business management, law, accounting, audit; or to have worked in the fields of finance, banking, accounting, audit for at least 03 years.
- e) Not to be a related person of the managerial officers of VPBank;
- f) To reside in Vietnam during his/her term of office for a responsible member of the Supervisory Board.

**Article 58. Tasks and Powers of the Supervisory Board<sup>62</sup>**

1. To supervise the observance of the law and VPBank's Charter in management and administration of VPBank; to take responsibility to the law and the General Meeting of Shareholders for the performance of its assigned obligations and rights.
2. To issue internal regulations of the Supervisory Board. To review annually internal regulations of the Supervisory Board and important policies on accounting and reporting of VPBank.
3. To take responsibility for issues related to internal audit division, internal examination and controlling system in accordance with State Bank's regulations.
4. To appraise the financial report for the first six months and every year of VPBank including financial reports conducted by independent audit organizations. To report to the General Meeting of Shareholders on its appraisal of annual financial reports, to appraise the reasonability, lawfulness, truthfulness and prudence in the performance of accounting, statistical work and financial reporting. The Supervisory Board shall consult the Board of Directors' opinions before submitting its reports and recommendations to the General Meeting of Shareholders.
5. To examine accounting books, other documents and the management and administration of VPBank's operations if it shall be necessary or pursuant to resolutions or decisions of the General Meeting of Shareholders or at the request of major Shareholders or groups of major Shareholders in accordance with provisions of applicable laws; To conduct examination within 7 working days after receiving the request of the persons stated above; to report and explain examined issues to the Board of Directors or organizations and individuals who have requests within a period of 15 days since the ending of examination. The Supervisory Board's examination stipulated in this Paragraph shall be required not to cause any obstacle or interruption to normal business administration and management of VPBank.
6. To notice promptly the Board of Directors if the Supervisory Board when detects any violations of this Charter and relevant laws by VPBank's managerial officers, as well as to request the

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<sup>61</sup> Article 122 of Law on Enterprise; Article 50 Law on Credit Institutions.

<sup>62</sup> Article 123 of Law on Enterprise; Article 45 of Law on Credit Institution; Article 52 of Decree No. 59.

- violator to terminate his/her violations and remedy consequences( if any).
7. To make a list of founding Shareholders, major Shareholders, or related persons of members of the Board of Directors, the Supervisory Board and Chief Executive Officer of VPBank; to keep this list and update the changes to this list.
  8. To request the Board of Directors for extraordinary meetings of the Board of Directors or request the Board of Directors to convene extraordinary meetings of the General Meeting of Shareholders in accordance with provisions in this Charter.
  9. To convene an extraordinary meeting of the General Meeting of Shareholders when the Board of Directors makes a decision which seriously violates the laws, this Charter or shall be beyond its assigned powers and in other cases stipulated in this Charter.
  10. To perform other obligations and rights in accordance with provisions in this Charter and applicable laws.
  11. Annually, Supervisory Board shall direct Internal Audit unit to revise, evaluate independently and objectively the internal supervision system and inform the Board of Directors, Chief Executive Officer on internal supervision system, propose recommendations for internal supervision system revision, improvement.
  12. To approve internal supervision policies, approve and adjust internal audit plan basing on the discussion with the Chief Executive Officer and agreement with the Chairperson of the Board of Directors.
  13. To ensure the sufficient cooperation with the independent Audit, State Audit, and SBV.

**Article 59. Rights and Obligations of Head of the Supervisory Board<sup>63</sup>**

1. To organize the implementation of the obligations and rights of the Supervisory Board stipulated in this Charter.
2. To prepare agendas of the Supervisory Board's meetings based on the issues and interest of all members of the Supervisory Board related to the Supervisory Board's obligations and rights; to convene and chair the Supervisory Board's meetings.
3. To sign documents within the Supervisory Board's competence on behalf of the Supervisory Board.
4. To convene extraordinary meetings of the General Meeting of Shareholders on behalf of the Supervisory Board or request the Board of Directors to convene extraordinary meetings in accordance with provisions in this Charter.
5. To attend meetings of the Board of Directors, to voice opinions in these meetings but to have no right to vote. To request for recording his opinions in minutes of the Board of Directors when his opinions differ from the resolutions and decisions of the Board of Directors and report to the General Meeting of Shareholders if required.

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<sup>63</sup> Article 46 of Law on Credit Institutions.

6. To prepare action plans for and assigned tasks to members of the Supervisory Board pursuant to internal regulations of VPBank.
7. To ensure that all members of the Supervisory Board receive comprehensive, objective and accurate information and have enough time to discuss the issues that shall be required to be considered by the Supervisory Board.
8. To supervise and direct members of the Supervisory Board to perform their assigned tasks, rights and obligations.
9. To authorize another member of the Supervisory Board to perform his/her tasks when absent.
10. To perform other rights and obligations in accordance with provisions in VPBank's Charter and applicable laws.

**Article 60. Rights and Obligations of Members of the Supervisory Board<sup>64</sup>**

1. To perform the rights and duties of members of the Supervisory Board in accordance with provisions of applicable laws, this Charter and the internal provisions of the Supervisory Board honestly, prudently for the interest of VPBank and its shareholders.
2. To elect, dismiss or remove from office the Head of the Supervisory Board.
3. To request the Head of the Supervisory Board to convene an extraordinary meeting of the Supervisory Board.
4. To supervise business activities, to examine accounting books, assets, financial reports and to recommend measures for prevent violations (if any).
5. To be entitled to request officers, staffs of VPBank to provide figures and to explain business activities in order to perform the assigned tasks.
6. To report to the Head of the Supervisory Board on irregular financial operations and to bear personal responsibility for their own assessments and conclusions.
7. To attend the meetings of the Supervisory Board, to voice opinions and participate in voting on the issues falling within rights and obligations of the Supervisory Board unless the issues which cause conflict of interests.
8. Other rights and duties in accordance with provisions in this Charter and applicable laws.

**Article 61. Ratification for the decisions of the Supervisory Board**

1. The Supervisory Board shall adopt decisions by the way of voting in the meeting or collecting written opinions. Each member of the Supervisory Board shall have one vote.
2. A member of the Supervisory Board who has interest related to the issues brought forward for the decision of the Supervisory Board shall not be allowed to participate in the voting on those issues and shall not be counted into the quorum at the meeting, and simultaneously shall not be authorized by other members of the Supervisory Board to participate in the voting on such

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<sup>64</sup> Điều 47 Luật các TCTD.

issues.

3. Any member of the Supervisory Board who is related to a contract mentioned in Article 34 of this Charter shall be regarded as a person who has material interests from such contract.
4. The member of the Supervisory Board, to his/her knowledge, recognizes a relation, whether directly or indirectly, to a contract, an arrangement or a tentative contract or arrangement with VPBank shall report the nature of relevant benefits to the Board of Directors and the Supervisory Board for the Board of Directors and the Supervisory Board to consider whether or not to enter into such contract or arrangement. If after the contract or the transaction has been agreed upon, he/she gets to know the existence of his/her interests later or in any other circumstances, that member shall be required to report such benefits in the nearest meeting of the Board of Directors and the nearest meeting of the Supervisory Board after realizing that he/she has related interests.

#### **Article 62. Meeting and collecting written opinions of members of Supervisory Board**

##### 1. Meeting:

- a) The Supervisory Board shall meet periodically, once a quarter at least, and shall be convened to irregular meetings to deal with unforeseen issues in time. Irregular meetings of the Supervisory Board shall be required to be held at the request of:
  - The Head of Supervisory Board;
  - At least two members of Supervisory Board<sup>65</sup>;
  - The director of the State Bank' branches <sup>66</sup>;
  - Other cases in accordance with applicable laws.
- b) Within a period of 15 days since the receipt of the written request from one of the subjects stated above, the Head of Supervisory Board shall be required to convene and perform the extraordinary meetings. In cases where after two successive requests, The Head of Supervisory Board fails to convene a meeting , the Board of Directors and members of the Supervisory Board shall be required to immediately send a report to the State Bank's branch in the province or city where the Bank's head office is located and conduct a meeting of the Supervisory Board to deal with the issues and decide on the dismissal and removal of the Head of Supervisory Board and nomination of a member of the Supervisory Board who satisfies the required criteria to hold the position as the Head of Supervisory Board and send a report to the State Bank in accordance with the current provisions of applicable laws, or hold an Extraordinary General Meeting of Shareholders to deal with pending issues (if any).
- c) Meetings of the Supervisory Board shall be held five days after the sending of the notice to

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<sup>65</sup> Paragraph 2 Article 22 Circular 06/2010/TT-NHNN dated 26 February 2010.

<sup>66</sup> Paragraph 2 Article 22 Circular 06/2010/TT-NHNN dated 26 February 2010.

members of the Supervisory Board, in the event of an extraordinary meeting, the time period for notice shall be shorter in accordance with provisions of the Head of the Supervisory Board. The notice of the meeting of the Supervisory Board shall be in writing in Vietnamese, and clearly states the agenda, time and venue, and shall include necessary documents on issues to be discussed and voted on at the meeting of the Supervisory Board. Members of the Supervisory Board who shall not be able to attend the meeting shall be entitled to send their written ballots put in a sealed envelope and sent to the Chairperson of the meeting at least one hour before the opening time. The written ballots shall be opened in the presence of all members attending the meeting in person.

- d) The meeting of the Supervisory Board shall be carried out when there are at least two thirds of members of the Supervisory Board attending in person or via authorized persons. Where the first regular meeting of the Supervisory Board shall be convened with inadequate number of attending members as prescribed, the Head of The Supervisory Board shall have to convene the second meeting of the Supervisory Board within the next 15 days. After two convocations of the meeting of the Supervisory Board with inadequate number of attending members, the Head of Supervisory Board shall have to inform the Board of Directors and propose the convocation of an Extraordinary General Meeting of Shareholders within the next 30 days for shareholders to consider the capacity of members of the Supervisory Board who do not attend the meeting.
- e) Voting:
  - Each attending member of the Supervisory Board shall have one vote at the meeting of the Supervisory Board. If a member of the Supervisory Board is not able to attend the meeting, he/she shall be entitled to authorize his/her voting right in written form to another member of the Supervisory Board (a person who shall be entitled to vote) to vote on behalf of. A member of the Supervisory Board who has interest related to issues to be brought forward for the decision of the Supervisory Board shall not be entitled to participate in the voting on those issues and simultaneously shall not be authorized by other members of the Supervisory Board to participate in the voting on those issues.
  - The decisions of the Supervisory Board shall be adopted if they are agreed by at least 51% of attending members of the Supervisory Board who are eligible for voting. Where the votes are split equal, the final decisions shall be subject to the side supported by the Head of Supervisory Board or the member of the Supervisory Board authorized by the Supervisory Board to chair the meeting (in the case where the Head of Supervisory Board shall be absent at the meeting or the Head of Supervisory Board does not convene the meeting at request).

## 2. Collecting written opinions:

- a) Where an issue is adopted by a a resolution of the Supervisory Board in the form of collecting written opinions, such resolution shall be considered to have the same validity



as the resolution adopted by the members of the Supervisory Board at a meeting which is normally convened and hold if:

- It is approved in written form by at least 51% of the members of the Supervisory Board entitled to participate in voting on the issue brought forward for opinions;
  - The number of the members of the Supervisory Board entitled to vote in writing satisfies the condition on the quorum to carry out the meeting of the Supervisory Board.
- b) The meetings of the Supervisory Board shall be required to be fully recorded in the book of Minutes. The Minutes of the meetings of the Supervisory Board shall be prepared in Vietnamese and shall be required to be signed by all members of the Supervisory Board attending the meeting and these members shall be responsible for the accuracy and truthfulness of the Minutes. The Chairperson of the meeting shall be responsible for arranging the preparation and delivery of the minutes of the meetings of the Supervisory Board to members of the Supervisory Board and such minutes shall be deemed as conclusive evidences of the jobs conducted at such meetings, except for the case where there shall be a complaint of the contents of such minutes within 10 days since the dispatch of the minutes.

## **SECTION V: THE CHIEF EXECUTIVE OFFICER**

### **Article 63. The Chief Executive Officer<sup>67</sup>**

1. The Board of Directors shall appoint one member in The Board of Directors or hire another person to act as the Chief Executive Officer. The Chief Executive Officer shall manage day – to-day business operation of VPBank, under the supervision of the Board of Directors and the Supervisory Board and be liable to the Board of Directors and the law for his/her performance of assigned rights and obligations.
2. Criteria and Conditions of the Chief Executive Officer:
  - a) Having capacity for civil act and not prohibited from managing an enterprise as stipulated by the Law on Enterprises;
  - b) Satisfying the conditions as stipulated in Article 26, Article 27 of this Charter;
  - c) Having professional ethics in compliance with the Article 32 and Article 33 of this Charter;
  - d) Possessing a bachelor degree or postgraduate degree in economics, business administration, and law. Having at least 05 years' experience of working as manager in a credit institution or Chief Executive Officer (Director), Deputy Chief Executive Officer (Deputy Director) of an enterprise whose owner's capital is equal to the legal capital at the minimum for a bank in accordance with provisions of applicable laws or to

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<sup>67</sup> Article 57, Article 116 – Law on Enterprises; Article 48 – Law on Credit Institutions; Article 18, Article 21 – Decree No. 59.

have at least 10 years of directly working in finance, banking, accounting or audit fields.

e) Residing in Vietnam during his/her term of office.

3. The term of the Chief Executive Officer shall be required not to exceed 05 years. The Chief Executive Officer shall be entitled to be re-appointed for unlimited number of terms.

**Article 64. Tasks and Powers of the Chief Executive Officer<sup>68</sup>**

1. The Chief Executive Officer has the following tasks and powers:

- a) To decide on issues related to day – to – day business activities of VPBank within his/her competence;
- b) To organize the implementation of the resolutions and decisions of the General Meeting of Shareholders and the Board of Directors;
- c) organize the implementation business plans and investment projects of VPBank;
- d) To propose the internal organizational structures and internal management regulations of VPBank;
- e) To appoint, dismiss and remove from office managerial and executive officers of VPBank, except those to be decided by the General Meeting of Shareholders , the Board of Directors and others as stipulated by internal regulations of VPBank ;
- f) To decide on salaries, bonus and allowances (if any) of VPBank’s employees within his/her competence.
- g) To recruit employees;
- h) To propose plans to use profits, pay dividends and deal with business losses;
- i) To prepare and submit financial reports to the Board of Directors for approval or to report to competent authorities for approval. To take responsibility for the accuracy and truthfulness of financial reports, statistical reports, settlement data and other financial information;
- j) To issue internal rules, regulations within his/her competence; To establish professional processes and procedures for operating the business management system, information and reporting system;
- k) To report on the VPBank’s business activities, effectiveness and results to the Board of Directors, the Supervisory Board, the General Meeting of Shareholders and the competent state agencies in line with provisions of applicable laws and this Charter;
- l) To decide the application of the measures beyond his/her competence in case of emergencies (natural disasters, enemy inflicted devastation, fire, breakdown) and take responsibility for that decision and to give timely notice to the Board of Directors for

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<sup>68</sup> Article 116 - Law on Enterprises ; Article 49 -Law on Credit Institutions ; Article 55-Decree 59.

further solution.

- m) To recommend, propose the organizational and operational structures of VPBank to improve the operation quality and performance to the Board of Directors or General Meeting of Shareholders 's approval within their competence;
  - n) To request the Board of Directors to convene extraordinary meetings in accordance with provisions in this Charter.
  - o) To sign contracts on behalf of VPBank in accordance with provisions this Charter and other related provisions.
  - p) To perform other rights and obligations in accordance with provisions of applicable laws, this Charter and decisions of the Board of Directors.
2. The Chief Executive Officer shall be required to manage day - to- day business operation of VPBank in accordance with the provisions of applicable laws, this Charter, labor contract signed with VPBank and decisions of the Board of Directors. In case his management is contrary to provisions in this article, which causes damages to VPBank, the Chief Executive Officer shall be responsible to compensate VPBank for any damages.

**Article 65. Assistance Apparatus of the Chief Executive Officer<sup>69</sup>**

1. The assistance apparatus of the Chief Executive Officer are the Deputy Chief Executive Officers, Chief Accountant, and Head of Departments/Commissions/Centers at VPBank's Head Office; Director of Branches, Transaction Office and other titles as stipulated by VPBank.
2. Organizational structure, tasks and functions of the Chief Executive Officer's assistance apparatus shall be specified by the Board of Directors.

**SECTION VI: EMPLOYEES AND TRADE UNION**

**Article 66. Employees and Trade Union**

1. The establishment and operation of trade union at VPBank shall be performed in compliance with provisions of applicable laws.
2. The Chief Executive Officer shall be responsible for formulating the regulations, provisions related to the recruitment, employment, wages, social insurance, welfare benefits, rewards and discipline and other issues for the VPBank's employees as well as the VPBank's relations with the trade union, to report them to the Board of Directors for approval in compliance with provisions of applicable laws and decisions of the General Meeting of Shareholders.

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<sup>69</sup> Article 55 – Decree No. 59.

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**CHAPTER IV****FINANCE -ACCOUNTING REGIMES, INFORMATION - REPORT****SECTION I: GENERAL PROVISIONS****Article 67. Financial regimes, fiscal year<sup>70</sup>**

1. Financial regimes applicable to VPBank shall be implemented in accordance with provisions of the Government and guidance of the Ministry of Finance, the State Bank of Vietnam and other related provisions of applicable laws.
2. Based on guiding documents on financial regimes, VPBank shall be responsible for the foundation of the financial regulations applicable to VPBank then submit for the Board of Directors' approval.
3. The Board of Directors, Supervisory Board, Chief Executive Officer of VPBank shall be responsible to the law and competent state agencies for the VPBank's observance of financial, auditing and accounting regimes.
4. A fiscal year of VPBank shall start on January 01 and end on December 31 of the calendar year.
5. VPBank shall be financially autonomous, responsible for its business activities and fulfill its obligations and commitments in accordance with provisions of applicable laws.

**Article 68. Accounting system**

1. VPBank shall apply an accounting system in accordance with provisions of the Ministry of Finance, the State Bank of Vietnam and other related provisions of applicable laws.
2. All accounting books of VPBank shall be made in Vietnamese. VPBank shall make accounting books according to the type of business operations. Such books shall be required to be accurate, updated and systematic and sufficient to prove and to explain all transactions.
3. VPBank shall apply the accounting system stipulated by the State Bank for its accounting works.

**Article 69. Financial Reports<sup>71</sup>**

1. VPBank shall make financial reports in accordance with regulations on accounting and statistics and periodically report on professional operations in accordance with provisions of the State Bank.
2. The annual financial report of VPBank shall include a balance sheet, report on profit/loss statement; cash flow statement and notes to the financial report. The annual financial report shall be required to give a true and fair view of the profit and loss of VPBank for the financial year to which it's related and state of the professional operations of VPBank as at the date of

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<sup>70</sup> Article 81 – Decree No. 59.

<sup>71</sup> Article 82, Article 83 –Decree No.59.

financial report. In case of possessing subsidiary companies, VPBank shall be required to make consolidated financial report in line with provisions of applicable laws.

3. A summary of annual audited financial report shall be served to all shareholders and published in three consecutive editions of a daily local newspaper and an economic central newspaper. In addition, all audited financial reports, semi-annual and quarterly financial reports of VPBank shall be required to be published in the VPBank's website. Any organizations and individuals who may concern shall be entitled to inspect and make a copy of the audited financial reports, semi-annual and quarterly financial reports during working hours and at the head office of VPBank and shall pay a reasonable fee for such copy<sup>72</sup>.
4. VPBank shall, within 120 days since the end of the fiscal year, disclose financial reports in line with provisions of applicable laws.

#### **Article 70. Independent audit<sup>73</sup>**

1. Before the fiscal year ends, VPBank shall select a qualified independent audit organization in accordance with provisions of applicable laws to audit its activities in the next fiscal year. Within 30 day after the selection of an independent audit organization, VPBank shall be required to inform the State Bank of Vietnam of the selected audit organization.
2. During the auditing processes, VPBank shall be responsible for:
  - a) Supplying, on a timely, full and accurate basis, all information and documents required for the auditing;
  - b) Coordinating with, creating favorable working conditions for the auditors.
3. The Board of Directors, Supervisory Board and Chief Executive Officer and other executive officers shall hold meetings, carefully appreciating audit reports and recommendations of the audit organization, providing plans and schedules to implement such recommendations and to supervise the implementation.
4. VPBank shall be required to have another independent audit when the audit reports contain exemption opinions of the independent audit organization.
5. The audit of VPBank's activities in details shall be conducted in accordance with provisions of the Law on Credit Institutions, auditing law and other applicable laws.

#### **Article 71. Use of capital**

1. VPBank shall be entitled to use its capital for business activities, investment in construction and procurement of fixed assets in accordance with provisions of applicable laws.
2. VPBank shall be shall be entitled to change capital and assets structure to serve its operation development in line with provisions of applicable laws.

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<sup>72</sup> Article 129 – Law on Enterprises; Sample Charter applied to listed Companies, promulgated under the Decision 15/2007 of the Ministry of Finance.

<sup>73</sup> Article 42 –Law on Credit Institutions.

3. VPBank shall be entitled move capital and assets between its subsidiary companies.

## **SECTION II: FUNDS AND DISTRIBUTION OF PROFIT**

### **Article 72. Funds**

1. VPBank shall be entitled to set up the following funds:
  - a) The reserve fund for the supplement of charter capital;
  - b) The financial reserve fund;
  - c) The professional development and investment fund;
  - d) Unemployment contingency fund;
  - e) Reward fund;
  - f) Welfare fund;
  - g) Other funds internally stipulated by VPBank in line with provisions of applicable laws.
2. Issues related to the setting up and use of such funds shall be conducted in line with provisions of applicable laws and internal regulations of VPBank.

### **Article 73. Distribution of Profits<sup>74</sup>**

1. The General Meeting of Shareholders shall decide the level of annual dividends distributed to the Shareholders based on proposal of the Board of Directors, in accordance with related provisions of applicable laws.
2. VPBank shall be entitled to distribute dividends to the shareholders only when its business is profitable, all tax and financial obligations have been fulfilled as required by the law.
3. The Board of Directors shall be required to make a list of shareholders who get paid, determine the amount of dividend to each type of shares, the time and method for making payment at least 30 days prior to the date on which the payment is proposed to be made. A notification of dividend payment shall be required to be publically served to all shareholders no later than 15 days prior to the date on which the payment is proposed to be made. Such notification shall be required to contain name of the Bank, name and resident address of the shareholders, total number of shares of each type of shareholders, dividend level for each type of shares and total dividend receivable by such shareholder, time and method of payment.
4. Any dividend shall be able to be paid in cash, by VPBank's shares or by other assets as decided by the General Meeting of Shareholders. When payment is in cash, it shall be paid in Vietnamese Dong and shall be able to be paid by cheque or payment order sent through post office to the registered address of the beneficiary shareholder. Any dividend shall be able to be paid via bank account transfer if the shareholder has registered and provided VPBank with his/her account information. VPBank shall not be liable for any losses arising from such bank account transfer if VPBank has made the transfer strictly according to the detailed information

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<sup>74</sup> Article 93 – Law on Enterprises.

on the bank account provided by the shareholder.

5. In the case where VPBank's stocks are listed on Stock Exchange/Securities Transaction Centre, the payment of dividend for listed stocks shall be able to be made through securities company, securities depository Center.
6. No payable interests on dividend or other money amount related to a stock shall be paid by VPBank.
7. Where a shareholder transfers his shares in between the time of the completion of the list of shareholders and the time of payment of dividend, the dividend shall be paid to the transferors.
8. The Board of Directors shall be entitled to decide to pay in advance mid-term dividends to the shareholders if this payment is based on VPBank's business operations and profits and in compliance with related provisions of applicable laws.

### **SECTION III: DISCLOSURE AND REPORTING REGIME**

#### **Article 74. Disclosure and confidentiality<sup>75</sup>**

1. VPBank shall inform periodically account holders of their transactions and account balance opened at VPBank.
2. VPBank shall be entitled to exchange information with other credit institutions with respect to banking operation and their customers.
3. The VPBank's personnel and related persons are prohibited from disclosing national secrets or business secrets of VPBank they know.
4. VPBank shall be shall be entitled to refuse requests of organizations and individuals for information related to deposits, assets of customers and operations of the VPBank, except for the requests of competent state agencies in accordance with provisions of applicable laws and where accepted by the customers.

#### **Article 75. Report and announcement to the public**

1. VPBank shall be responsible for periodically or extraordinarily making and submitting reports to the State Bank of Vietnam, State Securities Committee and other competent agencies in line with provisions of applicable laws.
2. VPBank shall be responsible for providing information for the competent State agencies and disclose the information to the public in line with provisions of applicable laws.

#### **Article 76. Document retention regime<sup>76</sup>**

1. VPBank shall be shall be required to keep the following document at its head office:
  - a) VPBank's Charter and amendments of and supplements to the Charter;
  - b) VPBank's internal management regulations; Register of shareholders;

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<sup>75</sup> Article 13, Article 14 – Law on Credit Institution; Article 84, Article 85 – Decree No.59.

<sup>76</sup> Article 12 – Law on Enterprises.

- c) Business Registration Certificate; other Certificates and Licenses (if any);
  - d) Documents and papers certifying ownerships of assets of VPBank;
  - e) Meeting minutes of General Meeting of Shareholders , Board of Directors and other decisions of VPBank;
  - f) Prospectus for issue of securities (if any);
  - g) Reports of the Supervisory Board, conclusions of Inspection agency and independent audit organization;
  - h) Books of accounts, accounting records, annual financial report;
  - i) Other documents as stipulated by law.
2. Time, method for keeping such documents shall comply with provisions of applicable laws.
  3. The Chief Executive Officer shall be responsible for the organization of keeping, managing VPBank's documents in accordance with provisions of this Charter and applicable laws.

## **CHAPTER V**

### **DISPUTE SETTLEMENT, RE-ORGANIZATION, DISSOLUTION, BANKRUPTCY**

#### **Article 77. Settlement of internal disputes**

1. Internal disputes include the disputes; claims between shareholders with VPBank; shareholders with the Board of Directors, Supervisory Board, Chief Executive Officer or other managerial officers of VPBank related to the organization and operation of VPBank or rights of shareholders stipulated in this Charter and/or related laws.
2. If any internal dispute arises, firstly, the relevant parties shall strive to settle such dispute by negotiation and mediation based on mutual rights and benefits of the parties and in compliance with provisions of applicable laws. Unless the dispute involves the Board of Directors or the Chairperson of the Board of Directors, Chairperson of the Board of Directors shall preside over settlement of the dispute and shall require each party to present practical elements concerning the dispute within twenty-one working days as from the date the dispute arises. If the dispute involves the Board of Directors and the Chairperson of the Board of Directors, any party shall be entitled to refer such dispute to the competent agencies for settlement. Each party shall bear its own costs in relation to the negotiation and mediation procedures.
3. If no decision is reached through the mediation within 10 weeks since the start of the mediation process, any party shall be entitled to refer the dispute to the competent Court for settlement in accordance with provisions of applicable laws. The Court shall decide the party to bear the costs in line with provisions of applicable laws.



**Article 78. Reorganization<sup>77</sup>**

1. The reorganization of VPBank under the forms of split-up, division, integration, merge, transformation or others shall be conducted in line with provisions of applicable laws.
2. The General Meeting of Shareholders shall decide the reorganization of VPBank

**Article 79. Dissolution<sup>78</sup>**

1. VPBank shall be dissolved in the following cases:
  - a) VPBank voluntarily applies for the dissolution when it can repay all debts and obtain the approval of the State Bank of Vietnam.
  - b) Upon expiry of VPBank's operation duration, VPBank does not apply for extension or applies for extension but the extension is rejected by the State Bank;
  - c) VPBank's Establishment and operating licenses are revoked;
  - d) Other cases as stipulated by law.
2. The liquidation of assets upon VPBank's dissolution shall be performed under the supervision of the State Bank.
3. Conditions, procedures and other issues related to the dissolution of VPBank shall be in compliance with provisions of applicable laws.

**Article 80. Special control and bankruptcy<sup>79</sup>**

1. Where there is a possibility of insolvency, VPBank shall promptly report to the State Bank on its actual financial status, causes and measures already taken, to be taken to remedy the situation, the State Bank then shall consider and decide to put or not to put VPBank under the Special control.
2. VPBank shall be entitled to be put under the Special control in the following cases:
  - a) It is at the risk of insolvency;
  - b) Its irrecoverable debts results in the risk of insolvency;
  - c) The accumulated losses of VPBank exceed 50% of the fair value of the charter capital and reserve funds stated in the latest audited financial report;
  - d) It is classified poorly in two consecutive years in accordance with provisions of the State Bank;
  - e) It fails to maintain the minimum capital adequacy ratio as provided for in Point b, Paragraph 1, Article 130 of the Law on Credit Institutions in a constant year or the minimum capital adequacy ratio is lower than 4% in a period of 06 consecutive months.

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<sup>77</sup> From Article 150 to Article 154 – Law on Enterprises; Article 153 – Law on Credit Institutions

<sup>78</sup> From Article 157 to Article 159, Law on Enterprises; Article 154, Law on Credit Institutions.

<sup>79</sup> Article 160, Law on Enterprises; Article 146, Article 55, Law on Credit Institutions.

3. For other issues related to the Special Control, VPBank shall comply with related provisions of applicable laws.
4. If, after the State Bank have issued a document on termination of Special control or a document on non-application or termination of the application of measures for recovering the solvency of VPBank, VPBank remains in the state of bankruptcy, VPBank shall file a request for a court to open procedures for settlement of bankruptcy declaration requests in accordance with provisions of Law on Bankruptcy. Issues related to VPBank's bankruptcy shall be settled in accordance with provisions of Law on Bankruptcy.

## **CHAPTER VI**

### **IMPLEMENTATION PROVISIONS**

#### **Article 81. Effectiveness of the Charter**

1. This Charter shall be adopted by the General Meeting of Shareholders on 24 April 2012
2. This Charter shall take effect as from the date it is adopted by the General Meeting of Shareholders. This Charter supersedes the Charter of VPBank which was adopted by the General Meeting of Shareholders on 19 April 2011 (including the amendments and supplementation of this Charter) and shall be registered with State Bank of Vietnam in line with provisions of applicable laws.
3. Any issue which is not mentioned in this Charter shall be governed in accordance with related provisions of applicable laws. In case of any divergence between provisions of this Charter and laws, such provisions shall be invalid and VPBank shall automatically apply relevant provisions of applicable laws.

#### **Article 82. Final provision**

1. This one shall be the only and official Charter of VPBank.
2. This Charter comprises of 06 Chapters, 82 Articles and is made in 10 originals with equal validity, of which:
  - a) One copy shall be submitted to the State Securities Committee;
  - b) Two copies shall be submitted to the State Bank;
  - c) Five copies shall be submitted to register with other competent agencies in accordance with provisions of applicable laws;
  - d) Two copies shall be kept at VPBank.
3. Copies and excerpts of this Charter shall be made in accordance with VPBank's provisions and related laws.

**LEGAL REPRESENTATIVE OF VPBANK  
CHAIRMAN OF THE BOARD OF DIRECTORS**

**Ngo Chi Dung**