

PROPOSAL ON AMENDMENTS AND SUPPLEMENTS TO VPBANK'S OPERATING LICENCE

Attention: Annual General Meeting of VPBank

We would like to propose to the Annual General Meeting (AGM) the amendments and supplements to VPBank's operating licence as follows:

1. Rationale and Necessity:

VPBank is doing business according to Operating Licence No. 150/QD-NH5 issued in 1993 and revised licences issued from 1993 until now. However, legal regulations have changed while most of VPBank's licences were issued before Law on Credit Institutions 2010 took effect. Therefore, the some permitted business activities are not worded according to Law on Credit Institutions and relevant legal documents.

In June 2015, the State Bank of Vietnam (SBV) issued Circular No 08/2015/TT-NHNN amending Circular 40/2011/TT-NHNN on licence issuance, organization and operations of commercial banks which provides guidance on the replacement and issuance of licences to credit institutions in line with Law on Credit Institutions. Accordingly, VPBank requested the addition of some banking activities to the licence, which is still being processed by the SBV.

In November 2017, the SBV issued Circular No. 17/2017/TT-NHNN amending Circular No. 40/2011/TT-NHNN (Circular 17) on licence issuance, organization and operations of commercial banks, effective January 5, 2018, which provide guidelines on replacement and issuance of licences to credit institutions according to Law on Credit Institutions. Circular No. 08/2015/TT-NHNN was revoked on the effective date of Circular 17. Under Circular 17, three new business activities are added to commercial banks' licences, including (i) electronic wallet, (ii) provision of commodity derivatives products; and (iii) investment in government bond futures. Effective January 5, 2018, the procedures for obtaining licence replacement and supplementing business activities to the licence are governed by Circular 17.

According to Item 2, Article 93, Law on Credit Institutions, commercial banks are permitted to perform only the business activities in the licence issued by the SBV. Therefore, it is proposed that the AGM pass the following to meet VPBank's business requirements, comply with some newly issued circulars, and re-word VPBank's licence according to Law on Credit Institutions and Circular 17:

- (i) Supplements to the Bank's Operating Licence, and
- (ii) Integration of the Bank's licences into a general licence for convenience and based on sample licence under Circular 17.

For details, see Items 2 and 3 below.

2. Supplements:

No	Business Activity
1	Electronic wallet;
2	Investment in Government Bond Futures;
3	Commodity derivatives;
4	Wealth management service;
5	Re-discount of negotiable instruments and other valuable papers;
6	Structured deposit;
7	Entrustment in payment services;
8	Provision of banking services on the basis of cooperation between VPBank and Viettel.
9	Trade, provide derivatives products concerning FX, interest, currency and other financial asset in domestic and foreign markets
10	Act as settlement agent, credit issuance agent, and agent in the areas related to banking operations, insurance business, and wealth management according to the SBV's licence.
11	Entrust, take entrustment in the areas related to banking operations, insurance business, and wealth management according to the SBV's licence.

3. Contents of application for replacing and integrating current licences into one according to the Commercial Bank's silence form issued together with Circular 17/2017/ TT-NHNN:

No	Current licences	Integrated licence	Rationale
1	Take short-term, medium-term and long-term deposits from every organization in various economic sectors and residents in form of demand deposits, term deposits in VND;	Take demand deposits, term deposits, savings deposits and deposits of other types	<i>Already included in Item 1.1, Article 2, Licence 150/QĐ-NH5, now revised according to Item 1, Article 4 of the Sample Licence issued under Circular 17.</i>
2	Provide short-term, medium-term and long-term loans to organizations and individuals subject to the nature and availability of capital	Make loans	<i>Already included in Item 1.4, Article 2 of Licence 150/QĐ-NH5, now revised according to Item 2.a, Article 4 of Sample Licence issued under Circular 17.</i>
	Discount notes, bonds and	Discount, re-discount	<i>Already included in Item 1.5,</i>

No	Current licences	Integrated licence	Rationale
	valuable papers.	negotiable instruments and other valuable papers	<i>Article 2 of Licence 150/QĐ-NH5, now revised according to Item 2.b, Article 4 of Sample Licence issued under Circular 17.</i>
	Provide bank guarantees	Provide bank guarantees	<i>Already included in Licence 1564/QĐ – NHNN, now integrated into Licence based on Sample Licence issued under Circular 17.</i>
	<ul style="list-style-type: none"> - Issue and make payment on domestic and international MasterCard cards - Issue, act as issuing agent for international credit cards 	Issue credit cards	<i>Already included in Licence 805/QĐ-NHNN and Item 3 of Licence 3592/NHHH-CH, now revised according to Item 2.d, Article 4 of Sample Licence issued under Circular 17.</i>
	Provide domestic factoring	Provide domestic factoring	<i>Already included in Licence 300/QĐ – NHNN, now integrated into Licence based on Sample Licence issued under Circular 17.</i>
3	Open current accounts for customers	Open current accounts for customers	<i>Already included in Licence QĐ 1523/QĐ-NHNN, now integrated into Licence based on Sample Licence issued under Circular 17.</i>
4	Provide payment services between customers.	Provide the domestic payment services: <ul style="list-style-type: none"> a) Provide means of payment b) Provide payment service for check, payment order, authorized payment, collection, 	<i>Already included in Item 1.7, Article 2 of Licence 150/QĐ-NH5, now revised according to item 4, Article 4 of Sample Licence issued under Circular 17.</i>

No	Current licences	Integrated licence	Rationale
		authorized collection, L/C, bank card, and collection and payment services;	
5	Open accounts at the SBV, credit institutions, branches of other foreign banks;	Open accounts: - Open account at the SBV; - Open accounts at credit institutions, branches of other foreign banks;	<i>Already included in Licence QĐ 300/QĐ-NHNN, now integrated into Licence based on Sample Licence issued under Circular 17.</i>
6	Organise internal payment, participate in the national interbank payment system	Organise internal payment, participate in the national interbank payment system	<i>Already included in Licence QĐ 300/QĐ-NHNN, now integrated into Licence based on Sample Licence issued under Circular 17.</i>
7	<ul style="list-style-type: none"> - Provide banking and financial consultancy, consultancy on corporate finance, business acquisition, sale, consolidation and merger and investment - Keep and lease security safe 	Provide cash management service, banking and financial consultancy, services related to assets management and protection, lease security safe	<i>Already included in Licence 1921/QĐ-NHNN, Licence 2787/QĐ-NHNN, now revised according to Item 7, Article 4 of Sample Licence issued under Circular 17.</i>
8	Provide banking and financial consultancy, consultancy on corporate finance, business acquisition, sale, consolidation and merger and investment	Provide consultancy on corporate finance, business acquisition, sale, consolidation and merger and investment	<i>Already included in Licence 1921/QĐ-NHNN, now revised according to Item 8, Article 4 of Sample Licence issued under Circular 17.</i>
9	Bid, buy and sell treasury bills, transferable instruments, Government	Bid, buy and sell treasury bills, transferable	<i>Already included in Licence QĐ 300/QĐ-NHNN, now integrated into Licence based</i>

No	Current licences	Integrated licence	Rationale
	bonds, the SBV bills and other valuable papers in monetary market.	instruments, Government bonds, the SBV bills and other valuable papers in monetary market.	<i>on Sample Licence issued under Circular 17.</i>
10	Buy and sell Government bonds	Buy and sell Government bonds	<i>Already included in Licence QĐ 300/QĐ-NHNN, now integrated into Licence based on Sample Licence issued under Circular 17.</i>
	Buy and sell corporate bonds in accordance with provisions of laws	Buy and sell corporate bonds	<i>Already included in Licence 2700/QĐ-NHNN, now revised according to Item 10, Article 4 of Sample Licence issued under Circular 17.</i>
11	Provide monetary brokerage service	Provide monetary brokerage service	<i>Already included in Licence QĐ 300/QĐ-NHNN, now integrated into Licence based on Sample Licence issued under Circular 17.</i>
12	Issue certificates of deposit, bills, bonds to acquire funds in accordance with law on credit institution, law on securities, government regulations and the SBV's guidance.	Issue certificates of deposit, bills, bonds to acquire funds in accordance with law on credit institution, law on securities, government regulations and the SBV's guidance.	<i>Already included in Licence QĐ 300/QĐ-NHNN, now integrated into Licence based on Sample Licence issued under Circular 17.</i>
13	Borrow from the SBV and other credit institutions	Borrow from the SBV in re-financing form in accordance with law on the SBV and the SBV's guidance	<i>Already included in Item 1.3, Article 2, Licence 150/QĐ-NH5, now revised according to Item 13, Article 4 of Sample Licence issued under Circular 17.</i>
14	Borrow from the SBV and	Borrow, lend, make deposits, take deposits	<i>Already included in Item 1.3, Article 2, Licence 150/QĐ-</i>

No	Current licences	Integrated licence	Rationale
	other credit institutions	from credit institutions, branches of foreign banks, domestic and foreign financial institutions in accordance with applicable laws and the SBV's guidance	<i>NH5, now revised according to Item 14, Article 4 of Sample Licence issued under Circular 17.</i>
15	Contribute capital in joint ventures or purchase shares according to applicable laws	Contribute capital in joint ventures or purchase shares according to applicable laws and the SBV's guidance	<i>Already included in Item 1.6, Article 2, Licence 150/QĐ-NH5, now revised according to Item 15, Article 4 of Sample Licence issued under Circular 17.</i>
16	<ul style="list-style-type: none"> - Take capital entrusted by domestic organizations for investment and development - Entrust, take entrustment in lending - Insurance agent 	Entrust, take entrustment or act as agents in sectors relating to banking, insurance and asset management according to the SBV's regulations	<i>Already included in Item 1.2, Article 2, Licence 150/QĐ-NH5, Licence 1064/QĐ-NHNN and Licence 1932/QĐ-NHNN, now revised according to Item 16, Article 4 of Sample Licence issued under Circular 17.</i>
17	Trade and provide foreign exchange services in domestic and foreign markets within scope regulated by the SBV	Trade and provide foreign exchange services in domestic and foreign markets within scope regulated by the SBV	<i>Already included in Licence 55/QĐ-NHNN, now integrated into Licence based on Sample Licence issued under Circular 17.</i>
18	Trade, provide interest derivatives products in accordance with applicable laws and the SBV's guidance	Trade, provide derivatives products concerning FX, interest, currency and other financial asset in domestic and foreign markets	<i>Already included in Licence 1681/QĐ-NHNN, now revised according to Item 18, Article 4 of Sample Licence issued under Circular 17.</i>
19	Securities depository	Securities depository	<i>Already included in Licence 1386/QĐ-NHNN now integrated into Licence based</i>

No	Current licences	Integrated licence	Rationale
			<i>on Sample Licence issued under Circular 17.</i>
20	Trade, buy and sell gold bar	Trade gold bars	<i>Already included in Licence 282/QĐ-NHNN, now revised according to Item 18, Article 4 of Sample Licence issued under Circular 17.</i>
21		Electronic wallet	<i>New business activity which VPBank is obtaining licence for and, once approved by the SBV, will propose integration into licence based on sample licence issued under Circular 17.</i>
22		Provide commodities derivatives products	<i>New business activity which VPBank is obtaining licence for and, once approved by the SBV, will propose integration into licence based on sample licence issued under Circular 17.</i>
23		Invest in Government Bond Futures	<i>New business activity which VPBank is obtaining licence for and, once approved, will propose integration into licence based on sample licence issued under Circular 17.</i>
24	Buy and sell debts	Buy and sell debts	<i>Already included in Licence 130/QĐ-NHNN, now integrated into Licence based on Sample Licence issued under Circular 17.</i>

4. Assign the following tasks to the Board of Directors:

4.1 Decide on related issues when making amendments and supplements to Licence on Organization and Operations of VPBank under Items 2 and 3 above including supplementation, clarification,

and revision in compliance with legal regulations, the SBV's requirements, and actual situation.

- 4.2 Decide on and register with/submit to the SBV the amendments and/or supplements to Licence on Establishment and Operations of VPBank under Items 2 and 3 above.
- 4.3 Decide on and submit to competent agencies the supplements and amendments to Licence on Establishment and Operations of VPBank and information about shareholders, charter capital and other related information upon changes to VPBank's Certificate of Business Registration,
- 4.4 Decide on the registration of amended and supplemented business activities in Licence on Establishment and Operations of VPBank besides the items stated above when amendments and supplements must be made in accordance with legal regulations, requirements of competent state agencies and/or according to actual situations.

Recipients:

- *Ditto*
- *BOD Office (filing)*

**ON BEHALF OF BOARD OF DIRECTORS
CHAIRMAN**

Ngô Chí Dũng