

## PREAMBLE\*

SAIGON THUONG TIN COMMERCIAL JOINT STOCK BANK (hereinafter shortly referred to as Sacombank/ the Bank) is a commercial joint stock bank, which may conduct all banking operations and other business activities under the Law on Credit Institutions for profit.

This charter was adopted by the General Meeting of Shareholders of Sacombank under the valid Resolution of the General Meeting of Shareholders No. 01/2019/NQ-ĐHĐCĐ, dated 26<sup>th</sup> April 2019.

## SECTION I. DEFINITION OF TERMS USED IN THE CHARTER

### Article 1. Definitions

1. In this Charter, the following terms shall be construed as follows:

- a) “Law on Credit Institutions” means the Law on Credit Institutions that was adopted by Legislature XII of the National Assembly of the Socialist Republic of Vietnam at its 7<sup>th</sup> session on 16<sup>th</sup> June 2010 (as replaced, amended and supplemented from time to time);
- b) “Law on Enterprises” means the Law on Enterprises that was adopted by Legislature XII of the National Assembly of the Socialist Republic of Vietnam at its 8<sup>th</sup> session on 26<sup>th</sup> November 2014 (as replaced, amended and supplemented from time to time);
- c) “Laws” means any law, ordinance, decree, stipulation, circular, decision and other legal documents issued by the Vietnamese authorities from time to time covering banking operations;
- d) “State Bank/ SBV” means the State Bank of Vietnam;
- e) “Vietnam” means the Socialist Republic of Vietnam;
- f) “Charter Capital” means the capital that is contributed by all Shareholders and stated on its Enterprise Registration Certificate;
- g) “Legal Capital” means the minimum capital amount required by the Laws for the establishment of a credit institution;
- h) “Date of Establishment” means the date when Sacombank is granted the Establishment and Operation License by the State Bank of Vietnam;
- i) “Area of Operation” means the geographic scope in which Sacombank is authorized to establish its operation network in line with provisions of applicable Laws;

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\* This document is translated from the Charter in Vietnamese approved on 26<sup>th</sup> April 2019 by the General Meeting of Shareholders of Sacombank and used for reference only.

- j) "Operation Duration" means the duration of operation of Sacombank, which is specified in Clause 9 Article 2 of this Charter and extended duration (if any), which shall be approved by the General Meeting of Shareholders in the form of a Resolution;
- k) "Dividend" means an amount of net profit to pay for each Share in cash or other assets sourced from remaining profit after performing financial obligations;
- l) "Shareholder" means an organization or an individual who owns at least one Share of Sacombank;
- m) "Founding Shareholder" means a shareholder that owns at least one ordinary share and signs in the list of founding shareholders of Sacombank;
- n) "Major Shareholder" means a Shareholder directly or indirectly owning 5% or more of the voting share capital of Sacombank;
- o) "Share" means Charter Capital to be divided to equal parts;
- p) "Stock" means a certificate issued by Sacombank or a book entry or electronic data confirming the ownership to one or several Shares of Sacombank;
- q) "Register Book of Shareholder" means a document which is in writing or a set of electronic data or both of the forms. A Register Book of Shareholder shall have main contents in accordance with provisions of laws;
- r) "Bank's Executives" include the General Director, Deputy General Directors, Chief Accountant, Directors of Branches and other management officers as decided by the Board of Directors in line with provisions of Laws and of the SBV;
- s) "Bank's Managers" include Chairman, members of the Board of Directors, General Director and other management officers as decided by the Board of Directors in line with provisions of Laws and provisions of the SBV;
- t) "Affiliated Person" of an organization or individual means an organization, individual who has direct or indirect relationship with such organization, individual falling in one of cases as stipulated in provisions of Laws;
- u) "Independent Member of the Board of Directors" means a member of the Board of Directors who fully meets standards, conditions as specified in Article 42 of this Charter;
- v) "Reorganization of the Bank" means the reorganization of the Bank under the form of division, split-up, merger, consolidation, and transformation of the Bank after being approved by the SBV in writing;
- w) "Indirect Ownership" means an organization's or individual's ownership of the Charter Capital or Share capital of Sacombank through Affiliated Persons or investment entrustment.
- x) "Associated Company" means a company in which Sacombank or Sacombank and its Affiliated Persons owns/own over 11% of the Charter Capital or over 11% of the voting share capital, but is not a Subsidiary Company of Sacombank.
- y) "Subsidiary Company" means one of the companies which are listed in Clause 30 Article 4 of the Law on Credit Institutions.

2. In this Charter, any reference to any provision or Legal document shall include any of its amendment, supplementation or replacement.
3. Headings (section and articles of this Charter) are used for convenience only and shall not affect the contents of this Charter.

## SECTION II. INFORMATION ABOUT SACOMBANK

### **Article 2. Information about Sacombank**

Sacombank is licensed for establishment under the approval of the Governor of the State Bank and has:

1. Legal entity status in accordance with provisions of Laws of Vietnam.
2. The representative-at-law of Sacombank is the General Director. The General Director of Sacombank is on behalf of Sacombank to perform its right and obligations arising out of Sacombank's transactions, on behalf of Sacombank as plaintiff, defendant, person who has the related rights and obligations before Arbitrators, Courts and other rights and obligations in accordance with provisions of Laws.

The representative-at-law of Sacombank must reside in Vietnam and when being absent from Vietnam, he/she shall authorize in writing another person who must be a Manager or an Executive of Sacombank currently residing in Vietnam to perform his/her rights and obligations. In such a case, the representative-at-law must remain his/her responsibilities for the performance of the authorised rights and obligations.

In case the representative-at-law does not return to Vietnam at the end of the authorization period under this clause and does not give another authorization, the following provisions must be complied: The authorized person shall keep performing the representative-at-law's rights and obligations within the scope of authorization until the representative-at-law goes back to work at Sacombank or until the Board of Directors decides to designate another person to be the representative-at-law of the Sacombank.

In case the representative-at-law is absent from Vietnam for more than 30 days without authorizing another person to perform rights and obligations of the representative-at-law of Sacombank, or such person is dead, missing, detained, sentenced to imprisonment, limit or lack of civil rights/actions, then the Board of Directors shall designate another person to be the representative-at-law of Sacombank.

3.

Full name in Vietnamese : NGÂN HÀNG THƯƠNG MẠI CỔ PHẦN SÀI GÒN

THƯƠNG TÍN  
Abbreviated name in Vietnamese : NGÂN HÀNG SÀI GÒN THƯƠNG TÍN  
Full name in English : SAIGON THUONG TIN COMMERCIAL JOINT STOCK BANK  
Abbreviated name in English : SACOMBANK  
Trading name : SACOMBANK

4.

Head Office located at : 266 – 268 Nam Ky Khoi Nghia, Ward 8, District 3, Ho Chi Minh City  
Tel : (+84 8) 38469516  
Fax : (+84 8) 39320424  
Email : [info@sacombank.com](mailto:info@sacombank.com)  
Website : <http://www.sacombank.com>  
SWIFT code : SGTTVNVX

5. Address, name of its Branches, Representative Offices, Subsidiary Companies are stated in line with the approval document issued by the State Bank.
6. Its Charter Capital of VND 18,852,157,160,000 (Eighteen thousand eight hundred and fifty-two billion one hundred and fifty seven million one hundred and sixty thousand Vietnam Dongs). Sacombank's Charter Capital may be changed from time to time in conformity with stipulations of the SBV, of Laws on the change of Charter Capital level. The new amount of Charter Capital shall, after having been registered in accordance with provisions of Laws, be deemed as an amendment, supplementation of this Article.
7. Own seal and own account opened with the SBV and domestic and foreign banks are in line with provisions of the SBV.
8. Balance sheet and funds are in accordance with provisions of Laws.
9. Operation Duration is 99 (ninety nine) years.
10. Operation Area: within the territory of the Socialist Republic of Vietnam. In addition, Sacombank may operate in other countries and/or territories, provided that it is approved by the SBV's Governor and competent authority of such countries and/or territories.

**SECTION III.**  
**OBJECTIVES AND CONTENTS OF OPERATIONS OF SACOMBANK**

**Article 3. Objectives of Sacombank**

1. The objectives for establishment of Sacombank is to make profits and make contribution to the economic development of the country.
2. Other objectives: interests of Shareholders, living standard of the employees, benefit of the customers and the sustainable development of Sacombank are also the objectives that Sacombank aims in compliance with current provisions of Laws and, if any of such objectives requires the approval from the SBV, then Sacombank shall only be able to realize that objective when it has obtained the written approval from the SBV.

**Article 4. Banking operations of Sacombank**

1. With respect to operation contents as specified in this Article and other relevant provisions, Sacombank shall perform on the basis of operations as prescribed in the License and/or written of the State Bank only.
2. Taking non-term deposits, term deposits, savings deposits and deposits of other types.
3. Issuing deposit certificates, promissory notes, treasury bills and bonds to raise capital in domestic and abroad.
4. Extending credit by:
  - a) Lending;
  - b) Discounting and re-discounting negotiable instruments and other valuable papers;
  - c) Providing bank guarantee;
  - d) Issuing credit cards;
  - e) Domestic factoring; international factoring for banks licensed for international payment;
  - f) Other forms of credit after obtaining the State Bank's approval.
5. Opening payment accounts for clients.
6. Providing payment instruments.
7. Providing the following payment services:
  - a) Domestic payment services, including check, payment order, authorized payment, collection, authorized collection, letter of credit and bank card, and collection and payment services.

- b) Providing international payment services and other payment services after obtaining the State Bank's approval.

#### **Article 5. Borrowing loans from the State Bank**

Sacombank may borrow loans from the State Bank in the form of re-financing under the Law on State Bank of Vietnam.

#### **Article 6. Borrowing loans from credit institutions and financial institutions**

Sacombank may borrow or lend loans, deposit or receive capital from domestic and overseas credit institutions, foreign bank branches and financial institutions under Laws and the State Bank's guidance.

#### **Article 7. Opening of accounts**

1. Sacombank shall open a deposit account at the State Bank and must maintain on this account an average balance not lower than the compulsory reserve ratio.
2. Sacombank may open a payment account at another credit institution.
3. Sacombank may open offshore deposit accounts and payment accounts.
4. Sacombank may deposit in foreign country by foreign currency (including term and non-term deposit).

#### **Article 8. Organization of and participation in payment systems**

1. Sacombank may organize its own internal payment systems and participate in the national inter-bank payment system.
2. Sacombank may participate in international payment systems after obtaining the State Bank's approval.

#### **Article 9. Capital contribution and share purchase**

1. Sacombank may only use its Charter Capital and reserve funds to contribute capital or purchase shares under Clauses 2, 3, 4 and 6 of this Article.
2. Sacombank shall establish or acquire Subsidiary Companies or Affiliated Companies to conduct the following business activities:
  - a) Securities underwriting, and securities brokerage; management and distribution of securities investment fund certificates; and securities investment portfolio management and stock trading;

- b) Financial leasing;
  - c) Insurance.
3. Sacombank may establish or acquire Subsidiary Companies or Affiliated Companies operating in the areas of debt and asset management, remittances for overseas Vietnamese, foreign exchange trading, gold trading, factoring, issue of credit cards, consumer credit, intermediary payment services and credit information.
  4. Sacombank may contribute capital to, or purchase shares from, enterprises operating in the following areas:
    - a) Insurance, securities, remittances for overseas Vietnamese, foreign exchange trading, gold trading, factoring, issue of credit cards, consumer credit, intermediary payment services and credit information;
    - b) Other areas not specified at Point a of this Clause.
  5. The establishment and acquisition of Subsidiary Companies or Affiliated Companies specified in Clauses 2 and 3 of this Article and the capital contribution and share purchase by Sacombank specified at Point b, Clause 4 of this Article are subject to the State Bank's prior written approval.

The conditions, procedures and order for establishing Subsidiary Companies and Affiliated Companies of Sacombank comply with relevant provisions of Laws.

6. Sacombank and its Subsidiary Companies may acquire or hold shares of other credit institutions on the conditions and within the limits provided by the State Bank.

#### **Article 10. Participation in monetary market**

Sacombank may bid for, sell and purchase Treasury bills, negotiable instruments, Government bonds, State Bank bills and other valuable papers in the monetary market.

#### **Article 11. Dealing in and provision of foreign exchange services and derivative products**

1. After obtaining the State Bank's written approval, Sacombank may deal in and provide domestic and overseas clients with the following products and services:
  - a) Foreign exchanges;
  - b) Derivatives regarding exchange rates, interest rates, foreign exchange, currency and other financial products.

2. Sacombank shall comply with provisions of the State Bank on the scope of foreign exchange trading; the conditions, order and procedures for approving foreign exchange trading; and the trading and supply of derivative products by the bank.
3. The provision of Sacombank of foreign exchange services to clients complies with the foreign exchange Laws.

#### **Article 12. Entrustment and agent operations**

Sacombank may entrust, be entrusted or act as agents in sectors relating to banking operations, insurance business and asset management according to the Laws and the State Bank's guidance.

Sacombank may entrust and be entrusted with the activities regarding lending, financial leasing, capital contribution and share purchase, and corporate bond purchase.

#### **Article 13. Other business activities of Sacombank**

1. Provision of services as cash management services, banking and financial consultancy; asset management and preservation services, safe deposit box and cabinet leasing services.
2. Consultancy of corporate finance, consultancy of corporate sale and purchase, consultancy of corporate consolidation and merger and investment consultancy.
3. Trading in Government bonds and corporate bonds in accordance with provisions of Laws.
4. Card services including card operation support services; payment clearing services of card transactions.
5. Monetary brokerage services.
6. Securities depository.
7. Digital Wallet.
8. Provision of commodities derivatives.
9. Investment in government bond futures.
10. Debt purchase.



11. Granting guarantees, consultancy of corporate bond issuance in accordance with provisions of Laws.
12. Gold trading; trading, sale and purchase of gold bar; sale and purchase of valuable papers in the international monetary market; electronic signature agent, provision of e – commerce transaction platform services; oversea lending in accordance with the State Bank’s regulations and other business activities related to banking operations after obtaining the State Bank’s written approval.

#### **Article 14. Electronic banking operations**

Sacombank may conduct business activities through electronic means under the State Bank’s guidance on risk management and the regulations of Laws on E-transactions.

#### **Article 15. Real estate trading**

Sacombank may not deal in real estate, except in the following cases:

1. Purchasing, investing in and owning real estates used as its business buildings and offices or warehouses/infrastructure in direct service of professional operations of Sacombank;
2. Leasing a part of its own business buildings which are not yet used;
3. Holding real estate as a result of debt handling. Within 3 years after issuing a decision to handle a security asset being real estate, Sacombank shall sell, transfer or purchase this real estate so as to ensure the ratio of investments in fixed assets and the use purposes of fixed assets as provided in Article 73 of this Charter.

#### **Article 16. Safety ratios and Risk provisions**

##### 1. Safety ratios

a) Sacombank shall maintain the following safety ratios:

- (i). The solvency ratio;
- (ii). The minimum capital safety ratio of 9% or higher as prescribed by the State Bank from time to time;
- (iii). The maximum ratio of short-term funds for provision of medium-term and long-term loans;
- (iv). The maximum foreign currency and gold status against own capital;
- (v). The ratio of outstanding loans to the total balance of deposits;
- (vi). The ratio of purchase of, investment in government bonds and government-guaranteed bonds;
- (vii). Other ratios under provisions of Laws

- b) When participating in the national inter-bank payment system, Sacombank shall hold a minimum quantity of valuable papers which can be mortgaged as prescribed by the State Bank from time to time.
  - c) The total capital invested by Sacombank in other credit institutions and Subsidiary Companies of Sacombank by capital contribution and share purchase and other investments in the form of capital contribution and share purchase in order to acquire the right to control enterprises operating in banking, insurance and securities must be deducted from its own capital when calculating safety ratios.
2. Risk provisions
- a) Sacombank shall set up provisions for risks in their operations. These risk provisions shall be accounted as operating costs.
  - b) The classification of assets, the level and method of deduction for setting up risk provisions and the use of risk provisions in order to process the risk in operations shall be provided by the State Bank.
  - c) In case Sacombank recovers a capital amount already offset by risk provisions, this amount shall be considered as turnover of Sacombank.

#### ***SECTION IV. CHARTER CAPITAL AND OPERATING CAPITAL***

##### **Article 17. Charter Capital**

1. Charter Capital of Sacombank shall be accounted in Vietnam Dongs (VND).
2. Sacombank is obliged to ensure the real Charter Capital level not to be lower than the Legal capital level as required by the provisions of Laws.
3. Charter Capital shall be used for the following purposes:
  - a) Purchasing, investing in fixed assets of Sacombank, provided that it shall not exceed the ratio stipulated by the SBV;
  - b) Capital contribution, share purchase in accordance with stipulations of the SBV;
  - c) Establishment of Subsidiary Companies, investment in Affiliated Companies in accordance with provisions of Laws;
  - d) Granting credit;
  - e) Other operations in conformity with provisions of Laws.

##### **Article 18. Change in Charter Capital**

1. To increase in Charter Capital:  
Charter Capital of Sacombank may be increased from the following sources:

- a) The reserve fund for Charter Capital supplement; the share capital surplus fund; retained profits and other funds as provided by provisions of Laws;
  - b) Public offering or private placement of stocks;
  - c) Conversion of convertible bonds into common stocks;
  - d) Other sources in accordance with provisions of Laws.
2. Any change in Sacombank's Charter Capital must be adopted by the General Meeting of Shareholders and be approved by or registered at a competent State authority in accordance with current provisions of Laws.

After the change in Charter Capital in consistent with the approval document of the competent State authority, Sacombank shall be required to register its new Charter Capital with a competent State authority and, at the same time, and announce information in accordance with provisions of Laws.

#### **Article 19. Operating capital**

Operating capital of Sacombank shall include the following sources:

1. Equity capital:
  - a) Charter Capital of Sacombank.
  - b) Differential amount of assets re-assessment, differential rate of exchange;
  - c) The share capital surplus;
  - d) Funds: reserve funds for Charter Capital supplement, funds for investment and development, financial reserve funds;
  - e) Undistributed cumulative profits, unsettled cumulative losses;
  - f) Other capital legally possessed by Sacombank.
2. Mobilized capital:
  - a) Mobilized capital from deposit of organizations and individuals; mobilized capital from valuable papers issuance;
  - b) Capital from entrusted investment;
  - c) Loan from domestic and foreign credit institutions and financial institutions;
  - d) Loan from the State Bank of Vietnam.
3. Other types of capital in accordance with provisions of Laws.

### **SECTION V.**

#### **SHARE, SHAREHOLDER, STOCK, BOND ISSUANCE**

#### **Article 20. Share, Shareholder, Face value of Share, bond issuance**

1. Sacombank must have at least 100 Shareholders and is not limited in the number of Shareholders.
2. Types of Shares, Shareholders:
  - a) Sacombank is required to have ordinary Shares. The person who holds ordinary Shares shall be referred to as an ordinary Shareholder. Rights and obligations tied to the ordinary Shares shall be specified in this Charter. An ordinary Share can not be converted to a preference Share;
  - b) Sacombank may issue various types of preference Shares upon obtaining the approval of the General Meeting of Shareholders and in conformity with provisions of Laws. A preference Share may be converted to an ordinary Share under a Resolution of the General Meeting of Shareholders.
3. Face value of 1 (one) Share of Sacombank shall be VND 10,000 (Ten thousand Vietnam Dongs).
4. Sacombank may purchase the Shares issued by itself under the methods as stipulated in this Charter and current provisions of Laws. The Shares bought back by Sacombank shall be treasury Stocks and its Board of Directors may offer for sale under the methods which are conformable to this Charter, Law on Securities and related guiding documents.
5. The Board of Directors shall have the jurisdiction to approve issuance plan of types of bonds excluding convertible bonds and warrant-linked bonds.

#### **Article 21. Shareholding rate**

1. An individual Shareholder may not own over 5% of the Charter Capital of the Bank.
2. An organization Shareholder may not own over 15% of the Charter Capital of the Bank, except the following cases:
  - a) It owns shares at the credit institution to be placed under special control according to the restructuring plan approved by competent authorities; or it owns shares of credit institute at the subsidiary, affiliated company as prescribed at clause 2, 3 of Article 103 and clause 3 Article 110 of Law on Credit Institutions;
  - b) It owns shares of foreign investors under Clause 2, Article 16 of Law on credit institutions.
3. A Shareholder and his/her/its Affiliated Persons must not own shares over 20% of the Charter Capital of Sacombank; except for the cases as specified at clause 2 of this Article. The Bank's major shareholder and its Affiliated Person must not own shares 5% or more of the charter capital of another credit institute.

4. Conditions, procedures, total maximum shareholding level of foreign investors, maximum shareholding rate of a foreign investor at a Vietnamese credit institution shall be implemented in accordance with stipulations of the Government.
5. The share ownership rates specified in Clauses 1, 2 and 3 of this Article include also capital amounts entrusted to other organizations or individuals to buy shares.

## **Article 22. Stock**

1. Contents relating to Stock shall be implemented as follows:
  - a) A Stock shall contain the following principal contents:
    - (i). Name, enterprise code, address of Sacombank's Head Office;
    - (ii). Quantity and type of Share(s);
    - (iii). Face value of a Share and total face value of the Shares stated on the Stock;
    - (iv). Full name, permanent residence address, nationality, number of the people's identity card, Passport number or other legal personal identities of the individual Shareholder; name, enterprise code or number of the establishment decision, address of head office of organization Shareholder;
    - (v). Summary of the procedures for share transfer;
    - (vi). Specimen signature of the representative-at-law and seal of Sacombank (if any);
    - (vii). Registration number on the Register book of Shareholder of Sacombank and date of issue of the Stock;
    - (viii). Other contents in accordance with provisions of Articles 116, 117 and 118 of the Law on Enterprises for Stocks of preference Shares.
  - b) All mistakes, if any, in the contents and format of Stocks issued by Sacombank do not affect the rights and benefits of its owner. The representative-at-law of Sacombank shall be responsible for losses caused by such mistakes to Sacombank;
  - c) In the event where Stocks are lost, damaged or destroyed in other forms, such Stock thereof may be re-issued by Sacombank as requested by its Shareholder.

The following contents must be ensured in the requirement of the requesting Shareholder:

    - (i). The Stock has been actually lost, damaged or otherwise destroyed; if the Stock is lost, Shareholder must make a further commitment that due search has been conducted; and if the Stock is found, it shall be returned to Sacombank for destruction;
    - (ii). The requesting Shareholder shall be responsible for disputes arising from the issuance of new Stock.
2. Stocks of Sacombank shall not be used for mortgage at Sacombank.

3. When Stocks are issued as certificates, Sacombank shall issue these Stocks to Shareholders within 30 days after Shareholders fully paying for Shares they commit to buy.

### **Article 23. Offer for sale, transfer, withdrawal and buy-back of Share**

1. The offer for sale of Shares:
  - a) The offer for sale of Shares means the activities of Sacombank to increase the Shares quantity that is available to be offered and to sell such Shares during its operation to increase its Charter Capital. One of below methods could be performed by Sacombank:
    - (i). Offer to current Shareholders;
    - (ii). Offer to public;
    - (iii). Offer in separateness.
  - b) The offer for sale of Shares shall be subject to the securities regulations of Laws.
  - c) Sacombank shall register its change in Charter Capital within 10 days, from the date of completion of the tranche of sale.
2. Transfer of Shares
  - a) Individual Shareholders and organization Shareholders whose representatives are members of Board of Directors or Board of Supervisor or the General Director of Sacombank may not transfer their Shares during their incumbency.
  - b) In the course of handling consequences under a Resolution of the Shareholders' General Meeting or under SBV's decision due to their personal responsibility, members of the Board of Directors, or Board of Supervisors or the General Director may not transfer Shares, except for one of the following cases:
    - (i). The members of the Board of Directors, Board of Supervisors, General Director act as authorized representatives of organization Shareholders that are merged, consolidated, split up, dissolved or bankrupt under the provisions of Laws;
    - (ii). The members of the Board of Directors, Board of Supervisors, General Director are forced to transfer Shares under court decisions;
    - (iii). The members of the Board of Directors, Board of Supervisors, General Director transfer their Shares to other investors for realizing the restructuring plan approved by competent level.
  - c) The transfer of listed Shares shall be performed in compliance with the provisions of Law on Securities.
3. The buy-back of Shares upon request of Shareholders or by decision of Sacombank shall be implemented in accordance with provisions of Laws on Securities and the following regulations:
  - a) Buy-back of Shares upon request of Shareholders:
    - (i). A Shareholder shall be entitled to request Sacombank to buy back his/her own Shares if such Shareholder votes against decisions on the reorganization of Sacombank or

alteration of the rights, obligations of Shareholders provided in this Charter. The request must be in writing, clearly stating the name and address of the Shareholder and the number of Shares of each type held by such Shareholder, the proposed price and the reasons for such request. The request shall be sent to Sacombank within ten days as from the date the Shareholders' General Meeting adopts decisions on the issues mentioned in this Clause;

- (ii). Sacombank must buy back from the Shareholder, at his/her request as provided for in Item (i) of this Clause, his/her Shares at the market price or a price calculated on the principles according to the provisions of Laws within ninety days as from the date of receipt of such request. Where agreement cannot be reached on such price, the Shareholder may sell the Shares to another person or either party may request a professional valuation organization to determine the price. Sacombank shall introduce at least three professional valuation organizations for selection by the Shareholder and such selection is the final decision.

Sacombank may only buy back its Shareholders' Shares if, after fully paying for the buy-back Shares, it still ensures safety ratios in Sacombank's operations and the real value of its Charter Capital does not decrease to below the Legal Capital. In case the buy-back of shares results in the decrease of the Charter Capital of Sacombank, the State Bank's prior written approval is required.

- b) Buy-back of Shares under a decision of Sacombank:

Sacombank shall be entitled to buy back no more than 30% of total number of its sold ordinary Shares, a portion or all of its sold dividend preference Shares in accordance with the following provisions:

- (i). The Board of Directors shall have right to decide on a buy-back of no more than 10% of total number of Shares of each type already offered and sold for every 12 months. In other cases, the buy-back of Shares shall be decided by the Shareholders' General Meeting;
- (ii). The Board of Directors shall set the price for the buy-back of Shares. For ordinary Shares, the set price shall not be higher than their market price at the time of buyback, unless otherwise provided in Item (iii) of this Clause. The price of other types of Shares shall not be lower than their market price, unless otherwise agreed between Sacombank and related Shareholders;
- (iii). Sacombank may buy back a number of Shares from every Shareholder corresponding to his/her equity proportion in Sacombank. In this case, a notice of such decision by Sacombank shall be sent via registered mail to all Shareholders within thirty days as from the date of approval of such decision. A notice so made must contain the name and address of the Head Office of Sacombank, the total number and types of Shares to be bought back, price of such buy-back or principles for determination of such price,

procedures and time limit for payment, procedures and time limit for Shareholders to offer Sacombank their Shares.

Shareholders who agree to resell their Shares must send their offers via registered mail to Sacombank within thirty days after the notice date. Such offer must state the full name, permanent address, number of the people's identity card, passport or lawful personal certification of the Shareholder being an individual; name, enterprise code or number of the establishment decision, head office address of the Shareholder being an organization; total Shares owned, number of Shares on sale; payment method; signature of the Shareholder or his/her representative-at-law. Sacombank shall only buy back Shares offered within the said time limit.

- c) Payment conditions and handling of buy-back shares shall be implemented as follows:
- (i). All shares that are bought back in accordance with the provisions of Points a and b of this Clause shall be deemed as unsold shares. Sacombank must perform the procedure of decrease of Charter Capital in correspondence with the total face value of Shares bought back by Sacombank within 10 days from the completion date of the payment, except otherwise provided in provisions of Laws on securities;
  - (ii). The Stock certifying the ownership of the bought-back Shares shall be destroyed as soon as the respective Shares have been paid in full. The Chairman of Board of Directors and the General Director shall be jointly responsible for any losses caused to Sacombank by non-destruction or delayed destruction of such Stocks.

Sacombank may only make payment for the Share buy-backs to Shareholders if immediately subsequent to such payment, Sacombank shall still be able to pay off all due debts and other property liabilities and its Charter Capital does not decrease to below the Legal Capital as well as satisfies other relevant conditions prescribed by the State Bank.

4. The withdrawal of Shares shall be implemented as follows:
- a) Where a Shareholder fails to pay in full and on time the amount payable to purchase Stock, the Board of Directors shall notify and have the right to request such Shareholder to pay the unpaid amount together with interest on such sum, plus costs arising from failure to pay in full to Sacombank in accordance with regulations;
  - b) An announcement requiring the above-mentioned payment must specify the new time-limit for payment (at least seven days from the date on which the announcement is sent) and place for payment, and state that on failure to make payment as required then the number of Shares which have not yet been fully paid for shall be withdrawn;
  - c) The Board of Directors shall have the right to withdraw the Shares not be paid in full and on time in case the requirements of the above-mentioned announcement are not implemented.
  - d) Any withdrawn shares are considered the shares with the offering right. The Board of Directors may directly sell or authorize to sell, re-distribute on conditions and in the manner the Board of Directors considers appropriate;



- e) Shareholders holding withdrawn Shares shall be required to waive their Shareholder status with respect to such Shares, but shall still be required to pay all relevant amounts at the time of withdrawal under the decision of Board of Directors from the date of withdrawal to the date of implementation. The Board of Directors shall have full power to make a decision on enforcement of payment of amounts payable as at the time of withdrawal;
- f) An announcement on withdrawal shall be sent to the holders of the Shares which are to be withdrawn prior to the time of withdrawal. The withdrawal shall remain valid even if there is a mistake or carelessness during the course of sending the announcement.

## **SECTION VI.**

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

#### **Article 24. Register Book of Shareholders**

Contents relating to the Register Book of Shareholders shall be implemented as follows:

1. Sacombank must make and retain a Register Book of Shareholders from the date it is granted the Enterprise Registration Certificate.
2. A Register Book of Shareholders must contain the following principal contents:
  - a) Name, address of Sacombank's Head Office;
  - b) Total number of Shares which may be offered for sale, types of Shares which may be offered for sale and quantity of each type;
  - c) Total number of paid-in Shares of each type and value of paid-in equity capital of Shares;
  - d) Full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification of the Shareholder being an individual; name, enterprise code or number of the establishment decision, head office address of the Shareholder being an organization.
  - e) Quantity of Shares of each type of each Shareholder, date of registration of Shares.
3. The Register Book of Shareholders shall be kept at the Head Office of Sacombank or the Securities Depository. Shareholders shall have the right to check, search, extract and copy the content of Register Book of Shareholders at any time during the working hours of Sacombank or the Securities Depository.
4. Shareholder must promptly notify Sacombank of change in his/her permanent address for the update to the Register Book of Shareholders. Sacombank shall be not responsible for not contacting with the Shareholder due to failure of such announcement of changing address by the Shareholder.

## Article 25. Rights of an ordinary Shareholder

1. An ordinary Shareholder shall have the following rights:
  - a) To attend and give opinions at meetings of the Shareholders' General Meeting and exercise the right to vote directly or through their authorized representatives or through other method in accordance with laws and/or this Charter from time to time. Each ordinary Share has one vote;
  - b) To receive Dividends under Resolutions of the General Meeting of Shareholders;
  - c) To have pre-emptive right to buy newly offered Shares in proportion to the percentage of their ordinary Shares at Sacombank;
  - d) To transfer their Shares to other Shareholders of Sacombank or to other organizations or individuals under Law on Credit Institutions and this Charter, except for the cases of restricted transfer in accordance with provisions of Laws, Charter and the decision of the General Meeting of Shareholders;
  - e) To consider, search and extract information from the list of Shareholders with the voting right and request modification of inaccurate information;
  - f) To consider, search, extract or copy this Charter, the books of minutes of meetings of the General Meeting of Shareholders and Resolutions of the General Meeting of Shareholders;
  - g) To receive part of the remaining assets in proportion to the number of their Shares in Sacombank when it is dissolved or bankrupt;
  - h) To authorize in writing others to exercise their rights and perform their obligations; Authorized persons may not stand as candidates in their own capacity;
  - i) To stand as candidates or nominate others to the Board of Directors or Board of Supervisors under this Charter. The list of candidates shall be sent to the Board of Directors by the deadline set by the Board of Directors;
  - j) The right to fair treatment. Each shares of the same kind bring the shareholders equal rights, obligations and interests. If Sacombank has preference shares, the rights and obligations attached to such preference shares must be announced fully to the Shareholders and approved by General Meeting of Shareholders;
  - k) The right of access to full of periodic and irregular information announced by Sacombank under the law;
  - l) Shareholders or group of Shareholders who hold, within at least six consecutive months, over 10% of ordinary Shares shall have the following rights:
    - (i). To nominate candidates to Board of Directors and the Board of Supervisors (if any);
    - (ii). To review and extract the minutes book and other Resolutions of Board of Directors, mid-year and annual financial statements made according to forms of the Vietnamese accounting system and other reports of Board of Supervisors;
    - (iii). To request convention of a General Meeting of Shareholders in following cases:
      - The Board of Directors seriously violates the rights of Shareholders, obligations of the Managers or makes decisions ultra vires;

- The term of Board of Directors is over six months and the new Board of Directors has not yet been elected to replace the former;

The request must be made in writing and state the full name, permanent address, number of the people's identity card, passport or other lawful personal certification, for Shareholders being individuals; or the name, enterprise code or number of the establishment decision, head office address for Shareholders being organizations; number of Shares and time of Share registration by each Shareholder, total Shares of the whole group of Shareholders and the proportion of ownership in the total number of Shares of Sacombank; grounds and reasons to request convening of the General Meeting of Shareholders. Attached with the request must be materials, evidence of violations by the Board of Directors, the severity of violations or the decisions already issued ultra vires;

- (iv). To request the Board of Supervisors to check each specific problem related to the management and operation of Sacombank when deeming it necessary. Such request must be made in writing and state the full name, permanent address, nationality, number of the people's identity card, passport or other lawful personal certification, for Shareholders being individuals; or the name, number of the establishment decision or the enterprise code head office address for Shareholders being organizations; number of Shares and time of Share registration by each Shareholder, total Shares of the whole group of Shareholders and the proportion of ownership in the total number of Shares of the Sacombank; issues to be checked, the purpose of checking;

- (v). Other rights in accordance with provisions of Laws.

- m) The nomination of a person to the Board of Directors, Board of Supervisors as stipulated in Item (i) Point I Clause 1 of this Article shall be performed prior to the meeting of General Meeting of the Shareholders, provided that the procedures stipulated in Article 46 of this Charter shall be complied with.

Number of candidates that a group is entitled to nominate depends on the number of candidates decided by the General Meeting of Shareholders and shareholding rate of each group. Number of candidates that groups are entitled to nominate shall be implemented as follows:

- A Shareholder, group of Shareholders holding from 10% to less than 20% of the total voting Shares shall be entitled to nominate one candidate at the maximum;
- A Shareholder, group of Shareholders holding from 20% to less than 30% of the total voting Shares shall be entitled to nominate two candidates at the maximum;
- A Shareholder, group of Shareholders holding from 30% to less than 40% of the total voting Shares shall be entitled to nominate three candidates at the maximum;
- A Shareholder, group of Shareholders holding from 40% to less than 50% of the total voting Shares shall be entitled to nominate four candidates at the maximum;

- A Shareholder, group of Shareholders holding from 50% to less than 60% of the total voting Shares shall be entitled to nominate five candidates at the maximum;
- A Shareholder, group of Shareholders holding from 60% to less than 70% of the total voting Shares shall be entitled to nominate six candidates at the maximum;
- A Shareholder, group of Shareholders holding from 70% to less than 80% of the total voting Shares shall be entitled to nominate seven candidates at the maximum;
- A Shareholder, group of Shareholders holding from 80% to less than 90% of the total voting Shares shall be entitled to nominate eight candidates at the maximum.

Ordinary Shareholders voluntarily forming a group that satisfies required conditions to nominate person(s) to the Board of Directors and Board of Supervisors shall be required to notify their grouping to the attending Shareholders immediately prior to the opening of the General Meeting of Shareholders.

In case the number of candidates nominated by Shareholders, a group of Shareholders is less than the one they are entitled to nominate under the decision of the General Meeting of Shareholders, the remaining candidates shall be nominated by the Board of Directors or Board of Supervisors or other Shareholders who fully satisfy requirements at Point I Clause 1 of this Article.

The person to be elected as a member of Board of Directors or member of Board of Supervisors shall be determined by the number of voting ballots in the top-down order, starting from the candidate with the highest number of voting ballots until reaching the quorum as required by this Charter. In case at least two members gain the same number of voting ballots for the last member of the Board of Directors or Board of Supervisors, it shall be re-elected in line with the election regulation approved at the General Meeting of Shareholders (if any) or re-elected from the candidates who gain the same number of voting ballots.

2. The Shareholders are entitled to protect their lawful rights and interests. In case the decisions made by the General Meeting of Shareholders break the law or Sacombank's Charter; or the decisions made by Board of Directors are against any provisions of laws or Sacombank's Charter causing damages to Sacombank, shareholders are entitled to request the cancellation or the suspension of such decisions under the Enterprise Law.
3. The authorized representatives of Shareholders of Sacombank being organizations must be individuals authorized in writing to perform their rights and obligations prescribed in this Law on behalf of such Shareholders; In case of multiple authorized representatives, the Shares of each representative must be determined. If the Shareholder fails to determine the Shares of each authorized representative, the Shares shall be split equally among the representatives.

The appointment of authorized representative must be in writing; notified to Sacombank and only effective when Sacombank receives such notification. The letter of authorization must have the following basic contents:

- a) Full name, enterprise code, address of the head office of the Shareholder being organization;
  - b) The quantity of authorized representatives and their corresponding holding of shares;
  - c) Full name, permanent residence, nationality, ID number, passport number or other lawful personal certification of each authorized representative;
  - d) The duration of authorization of each representative, including the beginning date of the authorization;
  - e) Full names, signatures of legal representatives of Shareholder and its authorized representatives.
4. A voting preference Shareholder shall have the rights as provided in Clause 2 Article 116 of Law on Enterprises.
5. A dividend preference Shareholder shall have the rights as provided in Clause 2 Article 117 of Law on Enterprises.

#### **Article 26. Obligations of Shareholders**

1. Shareholders of Sacombank shall perform the following obligations:
  - a) To pay fully for amounts of Shares which they undertake to purchase within a time limit prescribed by Sacombank; to take responsibility for debts and other property liabilities of Sacombank in proportion to their capital amounts contributed to Sacombank;
  - b) To refrain from withdrawing their contributed equity capital amounts from Sacombank in any form, which leads to reduction of Sacombank's Charter Capital, unless their Shares are bought back by Sacombank or purchased by others under the Article 23 of this Charter. In case Shareholders withdraws a part or whole of their contributed equity capital amounts in contravention of this Clause, such Shareholder and person(s) who has(have) the related rights and interests in Sacombank shall take joint responsibility for Sacombank's debts and other property liabilities within the value of withdrawn Shares and incurred losses;
  - c) To be responsible before Law for the lawfulness of sources for capital contribution, purchasing shares or receiving shares transfer in Sacombank; not to use credit granted by the Bank to buy or receive shares transfer from the Bank; not to contribute capital or buy shares of the Bank in the name of another individual or legal entity in any shape or form, unless it is authorized in accordance with law;
  - d) To comply with the Charter and internal management regulations of Sacombank;
  - e) To observe Resolutions and decisions of the Shareholders' General Meeting and Board of Directors;

- f) To take personal responsibility for, when acting in the name of Sacombank in any form, any Law-breaking acts they have committed or business activities and other transactions they have conducted for self-seeking purposes or for the interests of other institutions or individuals;
- g) Other obligations in accordance with provisions of Laws.

2. Responsibility of Major Shareholders:

- a) Majority shareholders must not take advantage of his/her influence to affect the rights and interests of Sacombank and other shareholders in accordance with regulations of law and Sacombank's charter;
- b) Majority shareholders are responsible for disclosing information in accordance with provisions of Laws.

3. Shareholders acting as entrusted investors for other organizations and individuals shall supply information to Sacombank on real owners of Shares they are holding for entrusted investment at Sacombank. Sacombank has the right to suspend the Shareholder's rights of these Shareholders when detecting their failure to provide accurate information on these actual owners of shares.

**Article 27. General Meeting of Shareholders**

- 1. The General Meeting of Shareholders is composed of all Shareholders with the voting right and is the supreme decision-making body of Sacombank.
- 2. General Meeting of Shareholders shall have following tasks and powers:
  - a) To adopt development orientations of Sacombank;
  - b) To amend, supplement this Charter;
  - c) To approve regulations on the organization and operation of the Board of Directors and Board of Supervisors;
  - d) To decide on the number of members of the Board of Directors and Board of Supervisors in each office term; To elect, relieve from duty, dismiss, add or replace members of the Board of Directors and Board of Supervisors according to the criteria and conditions specified in Law on Credit Institutions and this Charter;
  - e) To decide on remuneration, bonuses and other benefits for members of the Board of Directors and Board of Supervisors and on operating budgets of the Board of Directors and Board of Supervisors;
  - f) To consider and handle according to its competence violations of the Board of Directors or Board of Supervisors which cause damage to Sacombank and its Shareholders;
  - g) To decide on the organizational structure, managerial and executive apparatus of Sacombank;

- h) To adopt plans on adjustment of the Charter Capital and Share offering plans covering types and quantity of new Shares to be offered;
- i) To adopt the buy-back of sold Shares;
- j) To adopt plans on the issue of convertible bonds;
- k) To adopt annual financial statements and plans on distribution of profits after the Sacombank's tax and other financial obligations are fulfilled;
- l) To adopt the Board of Directors' and Board of Supervisors' reports on the performance of their assigned tasks and powers;
- m) To decide on the establishment of Subsidiary Companies;
- n) To adopt plans on capital contribution and shares purchase of other enterprises or credit institutions which account for 20% or more of Sacombank's Charter Capital indicated in the latest audited financial statement;
- o) To decide to invest in, buy or sell Sacombank's assets which account for 20% or more of Sacombank's Charter Capital indicated in the latest audited financial statement;
- p) To approve contracts valued at over 20% of Sacombank's Charter Capital indicated in the latest audited financial statement between Sacombank and members of the Board of Directors or Board of Supervisors, the General Director, Major Shareholders, Affiliated Persons of Bank's Managers, members of Board of Supervisors or Major Shareholders of Sacombank; Subsidiary Companies or Associated Companies of Sacombank;
- q) To decide on the division, split-up, consolidation, merger, transformation or dissolution, or to request a court to open bankruptcy procedures;
- r) To decide on solutions to major financial changes of Sacombank.

**Article 28. Competence to convene a meeting of General Meeting of Shareholders**

1. There shall be an annual General Meeting of Shareholders once per year. In addition to the annual meeting, the General Meeting of Shareholders can take place on an extraordinary basis. The location of a meeting of the General Meeting of Shareholders must be within the territory of Vietnam. If such meeting concurrently takes place in multiples places, the place of the meeting shall be determined as where the chairman participates.
2. The General Meeting of Shareholders must hold an annual meeting within a time-limit of four months from the end of the financial year. At the request of the Board of Directors, the business registration agency may extend that time-limit, but not beyond six (6) months as from the end of the financial year.

An annual meeting of the General Meeting of Shareholders shall discuss and adopt the following issues:

- a) Annual business plan of Sacombank;
- b) Annual financial statements;

- c) Report of the Board of Directors assessing the work of business management and operation result of Board of Directors and each member thereto;
  - d) Report of the Board of Supervisors regarding results of business operation of Sacombank and operation result of the Board of Directors and the General Director;
  - e) Self-assessing report on the result of operation of the Board of Supervisors and each member thereto;
  - f) Amount of Dividend payable on each class of Share;
  - g) Other matters within its authority.
3. The Board of Directors shall convene an extraordinary meeting of General Meeting of Shareholders in the following cases:
- a) The Board of Directors considers such meeting necessary for the interests of Sacombank;
  - b) The number of remaining members of the Board of Directors and/ or the Board of Supervisors is smaller than the minimum number of members provided in this Charter;
  - c) At the request of a Shareholder(s) or a group of Shareholders that hold over 10% of total ordinary Shares for at least 06 consecutive months; The requirement to convene the General Meeting of Shareholders must be in writing stating the reason and purpose of the meeting with adequate signature of the shareholders concerned or in case of such written request shall be made in multiple copies, they must collect full of signatures of all shareholders concerned;
  - d) Upon a request of the Board of Supervisors if the Board of Supervisors has reason to believe that the members of the Board of Directors have seriously violated their obligations under Article 160 of the Law on Enterprise or the Board of Directors have acted or intended to act outside the scope of its powers;
  - e) Other cases in accordance with provisions of Laws.
4. The Board of Directors must convene a meeting of General Meeting of Shareholders within a time-limit of thirty (30) days as from the date on which the number of remaining members of the Board of Directors is as stipulated in Point b or from the date of receipt of the request stipulated in Point c and d Clause 3 of this Article.

If the Board of Directors fails to convene a meeting of General Meeting of Shareholders as stipulated, the Chairman of the Board of Directors must be responsible before the Laws and must compensate for any damage arising to Sacombank.

5. Where the Board of Directors fails to convene a meeting of the General Meeting of Shareholders as stipulated in Clause 4 of this Article, then within the following thirty (30) days, the Board of Supervisors shall replace the Board of Directors in convening the General Meeting of Shareholders in accordance with this Charter.



If the Board of Supervisors fails to convene a meeting of General Meeting of Shareholders as stipulated, then the Board of Supervisors must be responsible before the Laws and must pay compensation for any damage arising to Sacombank.

6. Where the Board of Supervisors fails to convene a meeting of General Meeting of Shareholders as stipulated in Clause 5 of this Article, the requesting Shareholder(s) or group of Shareholders that hold from 10% of total ordinary Shares for at least 06 consecutive months shall have the right to present Sacombank to convene the General Meeting of Shareholders in accordance with this Charter.
7. The convenor must perform the following tasks to organize the meeting of the General Meeting of Shareholders:
  - a) Prepare a list of Shareholders entitled to attend the meeting;
  - b) Provide information and deal with complaints relating to the list of Shareholders;
  - c) Prepare the program and agenda of the meeting;
  - d) Prepare documents of the meeting;
  - e) Draft resolution(s) of the General Meeting of Shareholders according to intended agenda; list and detail of candidates in case of electing member(s) of the Board of Directors and the Board of Supervisors;
  - f) Determine the time and venue of the meeting;
  - g) Send an invitation to the meeting to each Shareholder entitled to attend the meeting in accordance with this Charter; and
  - h) Other tasks for the purpose of the meeting.
8. The expenses for convening and conducting the General Meeting of Shareholders as stipulated in Clauses 4, 5 and 6 of this Article shall be reimbursed by Sacombank.
9. In addition, the Board of Directors shall convene an extraordinary meeting of the General Meeting of Shareholders at the request of the State Bank. When an event affecting the safety of operations of Sacombank arises, the State Bank may request the Board of Directors of Sacombank to convene an extraordinary Shareholders' General Meeting and decide on matters requested by the State Bank.

**Article 29. List of Shareholders entitled to attend the meeting of General Meeting of Shareholders**

1. The list of Shareholders entitled to attend the meeting of General Meeting of Shareholders shall be prepared based on the Register Book of Shareholders of Sacombank. The list of Shareholders entitled to attend the General Meeting of Shareholders shall be prepared no

earlier than ten (10) days prior to the date of sending the invitation to the General Meeting of Shareholders.

2. The finalizing of the list of Shareholders entitled to attend the meeting of General Meeting of Shareholders must be disclosed at least five (05) days before the date of finalizing the list.
3. The list of Shareholders entitled to attend the meeting of General Meeting of Shareholders shall include the full name and permanent address, nationality and number of people's identity card, passport or other lawful personal identification in respect of Shareholders being individuals, and the name, number of establishment decision or enterprise code, head office address in respect of Shareholders being organizations; and the number of Shares of each class, and the number and date of registration of each Shareholder.
4. Shareholders shall have the right to inspect, sight, make an extract of and copy the list of Shareholders entitled to attend the meeting of General Meeting of Shareholders; to request correction of wrong information or addition of necessary information about themselves in the list of Shareholders entitled to attend the meeting of General Meeting of Shareholders. The Bank's Managers must promptly provide information about the number of registration of Shareholder, correct and/or supplement wrong information as requested by the relevant Shareholder; at the same time, be responsible for indemnity all losses arising from failure to provide or provide untimely or inaccurately information of the Register Book of Shareholder when required. The procedures and orders for the requirement of providing information of the Register Book of Shareholder shall comply with Sacombank's regulations from time to time.

#### **Article 30. Program and agenda of the meeting of General Meeting of Shareholders**

1. The convenor of the meeting of General Meeting of Shareholders must prepare a list of Shareholders entitled to attend the meeting and to vote; prepare the program, agenda and documents for the meeting and draft resolution(s) on each of the items in the agenda; fix the time and location of the meeting and send invitation to all Shareholders entitled to attend the meeting.
2. The Shareholder or group of Shareholders stipulated in Point I Clause 1 Article 25 of this Charter may recommend items to be included in the agenda of the General Meeting of Shareholders. The recommendation must be made in writing and be sent to Sacombank no later than three working days prior to the date of opening. The recommendation must specify the name of Shareholder(s), the number of Shares of each class of Shareholder, the number and date of registration of the Shareholder(s) with Sacombank, and the items recommended to be included in the agenda.

3. The convenor of the meeting of General Meeting of Shareholders may only have the right to refuse the recommendation stipulated in Clause 2 of this Article in any of the following cases:
  - a) The recommendation is not sent on time, is insufficient, or is in relation to an irrelevant matter;
  - b) The item recommended does not fall within the decision-making authority of the General Meeting of Shareholders.
  
4. The convenor of the meeting of General Meeting of Shareholders must accept and include the commendations stipulated in Clause 2 of this Article into the draft program and agenda for the meeting, except in the cases stipulated in Clause 3 of this Article; the recommendation shall be officially added to the program and agenda for the meeting if the General Meeting of Shareholders so agrees.

### **Article 31. Invitations to the meeting of General Meeting of Shareholders**

1. The convenor of the meeting of General Meeting of Shareholders shall send invitation to all Shareholders entitled to attend the meeting no later than ten (10) days prior to the date of opening.

The invitation notice must have the name, head office address, enterprise code; name and permanent address of the Shareholder; time and location of the meeting and other requirements in respect of the attendees.
  
2. The invitation must be sent by registered mail to reach the contact address of each Shareholder; concurrently published on website of Sacombank and daily central and local newspapers, if it is considered necessary.
  
3. The invitation shall be accompanied by the following documents:
  - a) Agenda, documents used in the meeting and draft resolutions on each of the items in the agenda;
  - b) Voting ballots; and
  - c) Sample form of appointment of an authorized representative to attend the meeting.
  
4. The sending of document accompanied to the invitation under Clause 3 of this Article may be replaced by way of publishing on website of Sacombank. In this case, the invitation to attend the meeting must state the link and method of download and Sacombank must send meeting documents to the Shareholder if so required by such Shareholder.

### **Article 32. Conducting the meeting of General Meeting of Shareholders**

1. Right to attend the meeting of General Meeting of Shareholders:

- a) Shareholders may attend the General Meeting of Shareholders directly in person or authorize another person in writing to do so or uses one of the methods mentioned in Point d of this Clause;
- b) If a Shareholder being an organization which does not have an authorized representative pursuant to the provisions in Article 25 of this Charter, it shall authorize another person to attend the General Meeting of Shareholders;
- c) The authorization for a representative to attend the General Meeting of Shareholders must be made in writing on the form stipulated by Sacombank and in accordance with the following provision:
  - (i). Authorization to represent a Shareholder being an individual must bear the signatures of both of Shareholder and the person authorized to attend the meeting;
  - (ii). Authorization of authorised representative on behalf of a Shareholder being an organization must bear the signatures of the authorized representative, of the representative-at-law of the Shareholder and of the person authorized to attend the meeting;
  - (iii). In other cases the authorization must bear the signatures of the representative-at-law of the Shareholder and of the person authorized to attend the meeting.

Any person authorized to attend a meeting of General Meeting of Shareholders must submit his written authorization prior to entering the meeting room.

- d) A Shareholder is considered to attend and vote at the General Meeting of Shareholders in the following cases:
  - (i). The Shareholder attends and directly votes at the meeting;
  - (ii). The Shareholder authorizes another person to attend and vote at the meeting;
  - (iii). The Shareholder attends and votes through online meeting, electronic voting, or using other electronic means; or
  - (iv). The Shareholder sends votes to the meeting by post, fax, or email.
- e) The voting ballots of the person authorized to attend a meeting within the scope of his authorization shall remain effective in one of the following cases:
  - (i). The principal dies, or his capacity for civil acts is lost or is restricted;
  - (ii). The principal terminates the authorization.

The provision in this Clause shall not apply if Sacombank receives notification about one of the above-mentioned circumstances prior to the time of opening of the meeting of General Meeting of Shareholders.

## 2. Conditions for conducting the meeting of General Meeting of Shareholders:

- a) The meeting of General Meeting of Shareholders shall be conducted where the number of attending Shareholders represents at least fifty one per cent (51%) of the voting Shares;
- b) Where the first meeting cannot take place because the condition stipulated in Point a this Clause is not satisfied, the meeting may be convened for a second time within thirty (30)

days from the intended opening of the first meeting. The meeting of General Meeting of Shareholders which is convened for a second time shall be conducted where the number of attending Shareholders represents at least thirty three per cent (33%) of the voting Shares.

- c) Where a meeting convened for a second time cannot take place because the condition stipulated in Point b this Clause is not satisfied, it may be convened for a third time within twenty (20) days from the date of the intended opening of the second meeting.

In this case, the meeting of General Meeting of Shareholders shall be convened irrespective of the percentage of Shares with voting rights of Shareholders attending the meeting.

- d) Only the General Meeting of Shareholders may make changes to the agenda accompanied with the invitation to the meeting as stipulated in Article 31 of this Charter.

3. Procedures for conducting the meeting and voting at the General Meeting of Shareholders:

The procedures for conducting the meeting and voting at the General Meeting of Shareholders shall be conducted in accordance with the following provisions:

- a) Prior to the opening date of a meeting, procedures shall be carried out for registration for attendance at the meeting of General Meeting of Shareholders;
- b) The election of chairman, secretary and vote counting committee of the meeting of General Meeting of Shareholders shall be regulated as follows:
  - (i). The Chairman of the Board of Directors shall act as chairman of all meetings which are convened by the Board of Directors; in a case where the Chairman is absent or is temporarily unable to work, then the remaining members of the Board of Directors shall elect one of them to act as the chairman of the meeting according to majority rule; in case where there is no one be elected as chairman, the Head of the Board of Supervisors shall arrange for the General Meeting of Shareholders to elect the chairman of the meeting and the person with the highest number of votes shall act as chairman of the meeting;
  - (ii). In other cases, the person who signed the document convening the meeting of General Meeting of Shareholders shall arrange for the General Meeting of Shareholders to elect a chairman of the meeting and the person with the highest number of votes shall act as chairman of the meeting;
  - (iii). The chairman shall elect one or more than one person to act as secretary of the meeting of General Meeting of Shareholders;
  - (iv). The General Meeting of Shareholders shall elect one or more than one person to the vote counting committee on the proposal of the chairman of the meeting.
- c) The agenda and contents of the meeting must be passed by the General Meeting of Shareholders in the opening session. The agenda must specify in detail the time applicable to each issue in the contents of the agenda for the meeting;

- d) The chairman of the meeting of General Meeting of Shareholders shall have the right to take the necessary and reasonable measures to direct the conduct of the meeting in an appropriate and orderly manner, correctly in accordance with the agenda as passed and so that it reflects the wishes of the majority of attendees;
- e) The General Meeting of Shareholders shall discuss and vote on each issue in the agenda for the meeting. Voting shall be conducted by collecting voting ballots agreeing with the resolution, thereafter collecting voting ballots which do not agree, and finally counting total affirmative, negative voting ballots and abstentions. The chairman shall announce the results of the voting counts immediately prior to the closing of the meeting;
- f) Any Shareholder or person authorized to attend the meeting who arrives after the opening of the meeting shall be registered and shall have the right to participate in voting immediately after registration. In such a case, the effectiveness of any voting which has already been conducted shall not be affected;
- g) The convenor of the meeting of General Meeting of Shareholders shall have the following rights:
  - (i). To require all people attending the meeting to be checked or subject to other lawful and reasonable security measures;
  - (ii). To request a competent body to maintain order during the meeting; To expel from the meeting of General Meeting of Shareholders anyone who fails to comply with the chairman'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.
- h) The chairman shall have the right to adjourn the meeting of General Meeting of Shareholders for which sufficient attendees have registered as required by the regulations to another time or to change the location of the meeting in the following cases:
  - (i). The location for the meeting does not sufficient suitable seating for all the attendees;
  - (ii). The information media in the meeting location does not satisfy the demand of attendees to discuss and vote;
  - (iii). There is an attendee who obstructs the meeting or disrupts order, and there is a danger that the meeting might not be conducted fairly and legally.The maximum delayed time shall be 03 days since the expected opening of the meeting.
- i) In a case where the chairman adjourns or postpones a meeting of General Meeting of Shareholders contrary to the provisions in Point h this Clause, the General Meeting of Shareholders shall elect another person from the attendees to replace the chairman in conducting the meeting until its completion; the effectiveness of resolutions adopted at such meeting shall not be effected.

### **Article 33. Adoption of resolutions of the General Meeting of Shareholders**

1. The adoption of resolutions of the General Meeting of Shareholders shall be performed as follows:
  - a) The General Meeting of Shareholders shall adopt resolutions falling within its competence by voting at meetings or collecting written opinions;
  - b) Except the case specified at Point c this Clause, a resolution of the General Meeting of Shareholders shall be adopted at a meeting when it is approved by Shareholders representing over 51% of total votes of all attending Shareholders;
  - c) Resolutions on the matters specified at Points b, h, o and q Clause 2 of Article 27 must be approved by Shareholders representing over 65% of total votes of all attending Shareholders;
  - d) Members of the Board of Directors and Board of Supervisors shall be elected based on accrued votes, in which each Shareholder shall have his total number of votes as the total number of Shares he owns multiplied by the number of members to be elected to the Board of Directors or Board of Supervisors, and each Shareholder shall have the right to accumulate all his votes for one or more candidates;
  - e) Resolutions of the General Meeting of Shareholders must be notified to Shareholders entitled to attend the meeting of General Meeting of Shareholders within fifteen (15) days from the date of approval thereof; such resolutions may be published on the website of Sacombank instead of being sent to Shareholders;
  - f) Resolutions of the General Meeting of Shareholders shall take effect from the date of approval or from the effective date stated in such resolution;
  - g) Resolutions passed by one hundred (100) per cent of the total number voting Shares shall be legal and shall be effective even if the order and procedures for adopting such resolution were not implemented correctly in accordance with the regulations;
  - h) In case a Shareholder/group of Shareholders request the court or arbitral tribunal to cancel a Resolution of the General Meeting of Shareholders under Article 35 of this Charter, such resolutions shall be still effective until otherwise provided by the decision of the court or arbitral tribunal, except for application of injunctive relief in accordance with decision of competent authority.
2. Resolutions on the matters specified at Points a, d, f and q Clause 2 of Article 27 shall be adopted by voting at meetings of the General Meeting of Shareholders.
3. The authority and procedures for collecting written opinions of Shareholders in order to adopt a decision of the General Meeting of Shareholders shall be implemented in accordance with the following provisions:
  - a) The Board of Directors shall have the right to collect written opinions in order to adopt a decision of the General Meeting of Shareholders if considered necessary in the interests of Sacombank;

- b) The Board of Directors must prepare the questionnaire, the draft of resolution of General Meeting of Shareholders and other documents explaining the draft of resolution and send all such documents to each Shareholder entitled to vote at least 10 days prior to the deadline of returning the written opinion.

The list of Shareholders to send questionnaire for getting written opinion shall be complied with Clause 1 and Clause 3 Article 29 of this Charter. Requirements and methods to send questionnaire for getting written opinion and enclosed documents shall be complied with Article 31 of this Charter;

- c) The questionnaire for getting written opinion must contain the following basic particulars:
- (i). Name, head office address, enterprise code;
  - (ii). Purpose of collecting written opinions;
  - (iii). Full name, permanent address, nationality, and the number of people's identity card, of the passport or other lawful personal identification in respect of a Shareholder being an individual; name, number of establishment decision or enterprise code, head office address of a Shareholder being an organization or full name, permanent address, nationality, and the number of people's identity card, of the passport or other lawful personal identification of authorised representative of Shareholder being an organization; number of Shares of each class and number of votes of the Shareholder;
  - (iv). Issue on which it is necessary to obtain opinions in order to be adopted;
  - (v). Voting options comprising agreement, non agreement, or no opinion;
  - (vi). Time-limit within which the completed questionnaire for getting written opinion must be returned to Sacombank;
  - (vii). Full name and signature of the Chairman of the Board of Directors and of the representative-at-law of Sacombank;
- d) Shareholders may send the completed questionnaire for getting written opinion to Sacombank in one of the following manners:
- (i) By post. The completed questionnaire for getting written opinion must bear the signature of Shareholder being an individual, or signature of the authorized representative or legal representative of Shareholder being an organization. Every questionnaire for getting written opinion sent to Sacombank must be put into sealed envelopes. Envelopes must not be opened before counting;
  - (ii) By fax or email. The questionnaire for getting written opinion sent by fax or email must be kept confidential until the counting time.

The questionnaire for getting written opinion which has been sent to Sacombank after the deadline stated therein, or has been opened in respect of those sent by post, or has been revealed in respect of those sent by fax or email, are all invalid. A questionnaire for getting written opinion which is not sent to Sacombank shall be considered no voting participation;



- e) The Board of Directors shall count the votes and make a vote counting minutes before the witness of Board of Supervisors or Shareholders who do not hold managerial positions in Sacombank.

The vote counting minutes must contain the following information:

- (i). Name, head office address and enterprise code;
- (ii). Purposes and issues that need collect written opinions for adoption;
- (iii). The number of Shareholders and total number of votes casted. The numbers of valid and invalid votes, methods of sending votes, enclosed with the list of voting Shareholders;
- (iv). Total number of affirmative votes, negative votes, and abstentions on each issue;
- (v). The adopted issues;
- (vi). Full name and signature of the Chairman of the Board of Directors, representative-at-law of Sacombank, vote counting supervisors and vote counters.

Members of the Board of Directors, vote counters and vote counting supervisors are jointly responsible for the truthfulness, accuracy of the vote counting minutes; jointly responsible for damages caused by the resolutions which are adopted because of untruthful, incorrect counts of votes;

- f) The vote counting minutes shall be sent to all Shareholders within 15 days from the completion date of vote counting. The vote counting minutes may be posted on website of Sacombank instead of being sent to Shareholders;
- g) Completed questionnaire for getting written opinion, the vote counting minutes, adopted Resolutions, and relevant documents enclosed with the questionnaire for getting written opinion shall be kept at Sacombank's head office;
- h) Resolutions adopted by getting written opinion are as valuable as those adopted at the General Meeting of Shareholders.

Where a Resolution is adopted by getting written opinions, such Resolution of the General Meeting of Shareholders shall be adopted when it is approved by a number of Shareholders representing at least fifty one per cent (51%) of the total voting Shares.

#### **Article 34. Minutes of meeting of General Meeting of Shareholders**

1. Contents relating to the meeting minutes of the General Meeting of Shareholders shall be implemented as follows:
- a) Any meeting of the Shareholders' General Meeting shall be stated in written minutes or recorded on audio tape or kept under other electronic methods. The minutes shall be written in Vietnamese and may also be in a foreign language and shall contain the following principal contents:
    - (i). Name, Head Office address, enterprise code;
    - (ii). Time and location of the meeting of General Meeting of Shareholders;
    - (iii). Agenda and contents of the meeting;

- (iv). Full name of chairman and secretary;
- (v). Summary of proceedings of the meeting and of opinions stated in the meeting of the General Meeting of Shareholders on each matter set out in the contents of the meeting agenda;
- (vi). Number of Shareholders and total number of votes of attending Shareholders, appendix listing registered Shareholders and representatives of Shareholders attending the meeting with the total number of their Shares and the corresponding total number of votes;
- (vii). Total number of votes for each issue voted on, specifying the voting manner, the total number of valid and invalid votes, affirmative votes, negative votes, and abstentions; and the corresponding percentage on the total number of votes of Shareholders attending the meeting;
- (viii). Issues which were adopted and respective affirmative votes;
- (ix). Signatures of the chairman and secretary.

Minutes which are prepared in Vietnamese and in a foreign language shall be of equal legal validity. In case of inconsistency between the contents of minutes of Vietnamese and foreign languages, those of the Vietnamese minutes shall prevail.

- b) The minutes of the meeting of the General Meeting of Shareholders must be completed and approved prior to the closing of the meeting;
- c) The chairman and secretary of the meeting shall be jointly liable for the truthfulness and accuracy of the contents of the minutes.

The minutes of the meeting of the General Meeting of Shareholders must be sent to all Shareholders within a time-limit of fifteen (15) days and published on Sacombank's website within twenty four (24) hours as from the date of the closing of the meeting. The minutes of counting of votes may be posted on Sacombank's website instead of sending method.

The minutes of the meeting of the General Meeting of Shareholders, the appendix listing the Shareholders registered to attend the meeting, the resolutions adopted and other relevant documents attached with the notice of invitation to attend the meeting must be archived at the head office of Sacombank.

The minutes of the meeting of the General Meeting of Shareholders shall be regarded as evidence of the work conducted at General Meeting of Shareholders.

- 2. Within fifteen (15) days from the date of the closing of the meeting or from the date of the ending of the counting of votes in case of collecting written opinions, all resolutions, decisions adopted by the General Meeting of Shareholders shall be sent to the State Bank according to regulations.

#### **Article 35. Request for cancellation of a resolution of the General Meeting of Shareholders**

Within ninety (90) days from the date the minutes of the General Meeting of Shareholders or the minutes of the results of counting of votes in case of collecting written opinions from the General Meeting of Shareholders are received, a Shareholder or a group of Shareholders holding from 10% of the total ordinary Shares for at least 6 consecutive months shall have the right to request a court or an arbitrator to consider and cancel a resolution, in part or in whole, of the General Meeting of Shareholders in the following cases:

1. The order and procedures for convening the General Meeting of Shareholders and adopting the relevant resolution did not comply with provision of Laws and this Charter, except for case provided in Point g, Clause 1, Article 33 of this Charter;
2. The content of the resolution breached the provisions of Laws or this Charter.

## **SECTION VII.**

### **STRUCTURES OF THE BOARD OF DIRECTORS, BOARD OF SUPERVISORS, GENERAL DIRECTOR**

#### **Article 36. Board of Directors and its structures**

1. The Board of Directors is a managerial body having the full power to decide and exercise the rights and fulfil the obligations of Sacombank on its behalf, except matters falling within the competence of General Meeting of Shareholders. The Board of Directors includes one Chairman, two Vice chairman and several members performing their tasks under the assignment of the Board of Directors in accordance with the relevant provisions of this Charter and applicable Laws.
2. The term of a Board of Directors is not more than 5 years. The office term of members of the Board of Directors follows the term of the Board of Directors. A member of the Board of Directors may be re-elected or re-appointed for an unlimited number of terms. The office term of an added or replaced member of the Board of Directors is the remaining term of the Board of Directors. The Board of Directors of the previous term shall operate until the Board of Directors of the new term takes over its work.
3. The Board of Directors must have between 5 and 11 members, including at least 01 Independent Member. At least half (1/2) of the Board of Directors' total members must be Independent Members and members other than Bank's Executives.
4. When the number of members of the Board of Directors becomes less than two-thirds of the total number of the members of a term or less than the minimum number of members prescribed in this Charter, within 60 days after the number of members becomes insufficient, Sacombank shall sufficiently add members to the Board of Directors.

5. An individual and his/her Affiliated Persons or representatives of contributed capital of an organization Shareholder and their Affiliated Persons may participate in the Board of Directors in a number not exceeding one-third of total members of the Board of Directors of Sacombank, unless they are representatives of the State's contributed capital.
6. The Board of Directors shall use the Sacombank's seal to perform its tasks and powers.
7. The Board of Directors shall set up Councils and Committees to assist it in performing its tasks and powers, which must have the Risk Management Committee and Personnel Committee. Tasks and powers of such Councils and Committees are in accordance with the laws, this Charter and internal regulations promulgated by the Board of Directors.

### **Article 37. Board of Supervisors and its structures**

1. The Board of Supervisors is a body supervising Sacombank's operations to accurately assess business operation and financial status of Sacombank.
2. The Board of Supervisors shall conduct internal audit, inspect and assess the observance of Law, internal regulations, Charter, Resolutions and decisions of the Shareholders' General Meeting, the Board of Directors.
3. The Board of Supervisors of Sacombank has at least 03 members with at least half of the total members work on a full-time basis without concurrently holding other posts or doing other jobs in other credit institutions or enterprises. The Chief of the Board of Supervisors must be professional accountant or auditor and work full-time at Sacombank.
4. When the number of members of the Board of Supervisors becomes less than two-thirds of the total number of the members of a term or less than the minimum number of members prescribed in this Charter, within 60 days after the number of members becomes insufficient, Sacombank shall sufficiently add members to the Board of Supervisors.
5. The Board of Supervisors has an assisting apparatus and an internal audit section and may use Sacombank's resources or hire outside specialists and organizations to perform its tasks.
6. The term of Board of Supervisors is not more than 5 years. The office term of members of the Board of Supervisors follows the term of the Board of Supervisors. A member of the Board of Supervisors may be re-elected or re-appointed for an unlimited number of terms. The office term of an added or replaced member of the Board of Supervisors is the remaining term of the

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

7. The Board of Supervisors must convene the meeting at least twice a year. The number of members attending the meetings must account for at least two third (2/3) of the total number of The Board of Supervisors members. The Board of Supervisors meeting minutes must be made meticulously and clearly. The secretary of such meeting and members of the Board of Supervisors attending the meeting must sign on the meeting minutes. The Board of Supervisors meeting minutes must be kept to determine the responsibilities of each member of the Board of Supervisors. The Board of Supervisors is entitled to request the members of the Board of Directors, the General Director, independent auditors to participate and answer to the issues about which the Board of Supervisors is concerned.

#### **Article 38. General Director and his/her assistance apparatus**

1. The Board of Directors shall appoint one among its members as the General Director or hire a person to hold this post. The General Director shall manage daily business operations and is the supreme Executive of Sacombank, be subject to supervision of the Board of Directors and the Board of Supervisors, and take responsibility before the Board of Directors and Law for the exercise of his/her rights and performance of his/her tasks.
2. The office term of the General Director must not exceed 5 years. The General Director may be re-appointed with unlimited number of office terms.
3. The Deputy General Directors and Directors of Divisions shall assist the General Director to manage, execute an or some area(s) of operation of Sacombank on assignment, submit reports and take responsibility to the Board of Directors, the General Directors and other legal responsibilities for assigned tasks.
4. The Board of Directors shall specify the structure, functions and tasks of the assisting apparatus of the General Director.

#### **Article 39. Cases banned from holding posts**

1. The following persons can not be members of the Board of Directors, members of Board of Supervisors, General Director, Deputy General Director and holders of equivalent titles of Sacombank:
  - a) Those defined in Clause 2 of this Article;
  - b) Those banned from acting as managers and executives under the Laws on cadres and civil servants and Laws on anti-corruption;

- c) Those who used to be owners of private enterprises, partners of partnerships, General Directors (Directors), members of Boards of Directors, of Members' Councils and of Board Supervisors of enterprises, chairman and members of cooperative Management Boards at the time enterprises or cooperatives are declared bankruptcy, except cases of bankruptcy in force majeure circumstances;
  - d) Those who used to be representatives-at-law of enterprises at the time these enterprises are suspended from operation or compelled to dissolve due to their serious violations of Law, except cases in which the representatives-at-law are recommended by competent State agencies to reorganize and strengthen those enterprises;
  - e) Those who were once suspended from holding the title of Chairman of the Board of Directors, member of the Board of Directors, chairman of the Members' Council, member of the Members' Council, Head of the Board of Supervisors, member of the Board of Supervisors or General Director of a credit institution under Article 45 of this Charter or determined by a competent agency as having committed violations leading to the revocation of the credit institution's license;
  - f) Affiliated Persons of members of the Board of Directors or General Director can not act as members of the Board of Supervisors of Sacombank;
  - g) Affiliated Persons of the Chairman of the Board of Directors can not act as General Director of Sacombank;
  - h) The person who must be responsibility according to verdicts of inspecting authorities making the credit institute or the foreign bank branch be imposed penalties for administrative violations in monetary and banking sector at the range of maximum monetary penalty applied to violation of license, management, administration, share, share certificate, capital contribution, share purchase, granting credit, corporate bond purchase, maintenance of prudential ratios in accordance with the law of penalties for administrative violations in monetary and banking sector.
2. The following persons may not act as Chief Accountant or Director of a branch or Subsidiary Company of Sacombank:
- a) Minors and those with restricted civil act capacity or having lost civil act capacity;
  - b) Those who are currently being examined for penal liability or serving criminal sentences or decisions of the Court;
  - c) Convicts of serious or more serious crimes;
  - d) Convicts of crimes of infringement upon ownership whose criminal records have not been written off;
  - e) Cadres and civil servants and managers of department or higher level of enterprises in which the State holds 50% or more of the charter capital, except those appointed to represent the State's capital share in Sacombank;

- f) Officers, non-commissioned officers, professional army men and defence workers of agencies and units under the Vietnam People's Army; officers, professional non-commissioned officers of agencies and units under the Vietnam People's Police, except those appointed to represent the State's capital share in Sacombank;
3. Parents, spouses, children and siblings of members of the Board of Directors, General Directors and the spouses of these persons may not act as Chief Accountant or the person in charge of finance of Sacombank.

**Article 40. Cases banned from concurrently holding different posts**

1. The Chairman of the Board of Directors of Sacombank can not concurrently be an Executive of Sacombank and/or of other credit institutions. A member of the Board of Directors of Sacombank can not concurrently be a Manager of other credit institutions, unless these institutions are the Subsidiary Companies of Sacombank or a member of the Board of Supervisors of Sacombank.

A member of the Board of Directors of Sacombank must not concurrently be a member of the Board of Directors of more than five (05) other companies, unless he/she is a member of the Board of Directors of the companies in the same corporation or in the same group of companies, including the parent company and subsidiary companies, or a representative of a fund management company, or a securities investment company.

2. The Head of the Board of Supervisors can not concurrently be a member of Board of Supervisors or Manager of other credit institutions. A Board of Supervisors' member cannot concurrently hold either of the following posts:
- a) Member of the Board of Directors, Executive or employee of Sacombank or its Subsidiary Company, or employee of an enterprise whose member of the Board of Directors, Executive or Major Shareholder is a member of the Board of Directors, or the General Director of Sacombank;
  - b) Member of the Board of Directors or Members' Council or Executive of an enterprise whose Board of Supervisors member is currently a member of the Board of Directors or Executive of Sacombank.
3. The General Director, Deputy General Director and holders of equivalent titles can not concurrently be Member of the Board of Directors or Members' Council or Board of Supervisors of other credit institutions, unless such institution are Subsidiary Companies of Sacombank. The Deputy General Director and holders of equivalent titles can not concurrently be the General Director (or Director), Deputy General Director (or Deputy Director) and holders of equivalent titles of other enterprises.

4. The Chairman of the Board of Directors, General Director can not concurrently be Chairperson or member of the Board of Directors, Chairperson or member of the Partner Assembly, President of Company, General Director (or Director), Deputy General Director (or Deputy Director) or holders of equivalent titles of other enterprises.

**Article 41. Criteria and conditions for Managers, Executives and holders of some other posts of Sacombank**

1. A member of the Board of Directors must fully meet the following criteria and conditions:
  - a) Being other than those specified in Clause 1 Article 39 of this Charter;
  - b) Possessing professional ethics;
  - c) Holding a tertiary or higher degree;
  - d) Having at least 3 years working as a manager or an administrator of a credit institution or having at least 5 years working as a manager or an administrator of enterprises in banking, finance, audit or accounting area or of another enterprise having the owner's capital equal to the legal capital applied to the respective type of credit institute or more, or having at least 5 years working directly at operational department in finance, banking, accounting, audit.
  
2. A Board of Supervisors member must fully meet the following criteria and conditions:
  - a) Being other than those specified in Clause 1 Article 39 of this Charter;
  - b) Possessing professional ethics;
  - c) Holding a tertiary or higher degree in economics, business administration or law, or having at least 3 years directly working in banking, finance, accounting or audit area;
  - d) Not being an Affiliated Person of a Manager of Sacombank;
  - e) Members of the Board of Supervisors must not work in the accounting, finance department of Sacombank, or members/employees of another independent audit company that have audited Sacombank's Financial statements within the last 3 years.
  - f) Residing in Vietnam during his/her office term, for a full-time Board of Supervisors' member.
  
3. The General Director must fully meet the following criteria and conditions:
  - a) Being other than those specified in Clause 1 Article 39 of this Charter;
  - b) Possessing professional ethics;
  - c) Holding a tertiary or higher degree in economics, business administration or law;
  - d) Having at least 5 years working as an Executive of a credit institution or General Director (Director) or Deputy General Director (Deputy Director) of an enterprise with the owner's capital at least equal to the Legal Capital required by law for each respective type of credit institution and having at least 5 years working directly in finance, banking, accounting or



audit area, or at least 10 years working directly in finance, banking, accounting or audit area;

- e) To reside in Vietnam during the term of office.
4. A Deputy General Director, the Chief Accountant, Director of branch or Subsidiary Company or the holder of an equivalent post must fully meet the following criteria and conditions:
- a) Being other than those specified in Clause 2 Article 39 of this Charter; Being other than those specified in Clause 1 Article 39 of this Charter for the Deputy General Director;
  - b) Holding a tertiary or higher degree in economics, business administration, law or the profession under his/her charge; or holding a tertiary or higher degree in a discipline other than the above and having at least 3 years working directly in banking, finance or the profession under his/her charge;
  - c) Residing in Vietnam during the office term.

#### **Article 42. Criteria and conditions of Independent Members of the Board of Directors**

An Independent Member of the Board of Directors must fully meet the criteria and conditions specified in Clause 1 Article 41 of this Charter and the following criteria and conditions:

1. Neither currently working for Sacombank or its Subsidiary Company nor working for Sacombank or its Subsidiary Company for 3 immediately preceding years.
2. Not enjoying salaries or regular pays of Sacombank other than allowances for Board of Directors members under regulations;
3. Having no spouse, parent, child, sibling and spouses of these persons being Major Shareholders of Sacombank, Managers or Board of Supervisors members of Sacombank or its Subsidiary Company.
4. Neither directly nor indirectly owning or representing ownership of 1% or more of the Charter Capital or voting Share Capital of Sacombank; together with his/her Affiliated Persons not owning 5% or more of the Charter Capital or voting Share Capital of Sacombank;
5. Not being a Manager or Board of Supervisors member of Sacombank at any time in the 5 preceding years.

#### **Article 43. Automatic loss of status**

1. A member of the Board of Directors or Board of Supervisors or a General Director automatically loses membership status or post when:
  - a) He/she loses the civil act capacity or dies;
  - b) He/she violates Article 39 of this Charter on cases banned from holding posts;

- c) He/she represents the capital share of an organization which is a Shareholder of Sacombank when the legal entity status of this organization has been terminated;
  - d) He/she is no longer the authorized representative of an organization Shareholder's Capital Share;
  - e) He/she is expelled from Vietnam;
  - f) The Bank has its license revoked;
  - g) The contract on hiring General Director terminates.
2. The Board of Directors of Sacombank shall send a report enclosed with documents evidencing of automatic loss of his/her membership status or post under Clause 1 of this Article to the State Bank within 5 working days after finding out such loss, take responsibility for the accuracy and truthfulness of this report, and carry out procedures to elect and appoint holder of the vacant post under the provisions of Laws.
- a) Within fifteen (15) working days from the date the Chairman of the Board of Directors automatically loses his/her membership status or post under Clause 1 this Article, the Board of Directors' members shall hold a meeting to elect one of its members as the Chairman.
  - b) Within fifteen (15) working days from the date the Head of the Board of Supervisors automatically loses his/her membership status or post under Clause 1 this Article, the Board of Supervisors' members shall hold a meeting to elect one of its members as the Head.
  - c) Within one (1) working day from the date the General Director is identified as automatically losing his/her membership status or post under Clause 1 this Article without any replacement yet, the Board of Directors shall immediately issue a decision appointing a Deputy General Director to run the Sacombank's operations, ensuring their stability and continuity, and report such in writing to the State Bank (through the Inspection and Supervision Agency of the State Bank's branch). The appointed person shall take individual responsibility for his/her assigned tasks during the time of task performance.
3. After automatically losing his/her membership status or post, a member of the Board of Directors, Board of Supervisors or General Director of Sacombank must be liable for his/her decisions made during his/her office term.

**Article 44. Relief from duty, dismissal**

1. The Chairman or a member of the Board of Directors; the Head or a member of the Board of Supervisors; or the General Director of Sacombank shall be relieved from duty or dismissed when:
- a) He/she has his/her civil act capacity restricted;

- b) He/she submits his/her resignation to the Board of Directors, Board of Supervisors of Sacombank;
  - c) He/she fails to join activities of the Board of Directors, Board of Supervisors for 6 consecutive months, except in force majeure circumstances;
  - d) He/she fails to meet the criteria and conditions specified in Articles 41 and 42 of this Charter;
  - e) The Independent Member of the Board of Directors fails to meet requirements on independence;
  - f) In accordance with the State Bank's request.
2. After being relieved from duty or dismissed, the Chairman or a member of the Board of Directors; the Head or a member of the Board of Supervisors; or the General Director of Sacombank must be liable for his/her decisions made during his/her office term.
3. Within 10 working days after approving a decision on relief from duty or dismissal of a post holder specified in Clause 1 this Article, the Board of Directors of Sacombank shall send a report enclosed with relevant documents to the State Bank and take responsibility before Law for the accuracy and truthfulness of such report. At the same time, it shall carry out procedures to elect and appoint other persons to vacant posts under the provisions of Laws, in which:
- a) Within sixty (60) days after receiving a resignation application from the Chairman of the Board of Directors, the Board of Directors shall hold a meeting to consider, decide and carry out procedures for relieving from duty of the Chairman of the Board of Directors and electing the replacement;
  - b) Within sixty (60) days after receiving a resignation application from the Head of the Board of Supervisors, the Board of Supervisors shall hold a meeting to consider decide and carry out procedures for relieving from duty the Head of the Board of Supervisors and electing the replacement.

For cases of relief from duty or dismissal of members of the Board of Directors or members of the Board of Supervisors under Clause 1 this Article, the Board of Directors may hold an extraordinary meeting of the General Meeting of Shareholders or submit the cases to the upcoming General Meeting of Shareholders for decision.

Within one (1) working day from the date the General Director is relieved from duty or dismissed without any replacement yet, the Board of Directors shall immediately issue a decision appointing a Deputy General Director to run the Sacombank's operations, ensuring their stability and continuity, and report such in writing to the State Bank (through the Inspection and Supervision Agency of the State Bank's branch). The appointed person shall take individual responsibility for his/her assigned tasks during the time of task performance.

#### **Article 45. Termination and suspension**

1. The State Bank may terminate or suspend the performance of the rights and obligations of the Chairman and members of the Board of Directors, the Head and members of the Board of Supervisors, and Executives of Sacombank who violate Article 40 of this Charter and other relevant Laws when performing their rights and obligations; and request competent agencies to relieve from duty, elect and appoint or designate, when necessary, replacement persons.
2. The Special Control Board may terminate or suspend the performance of the rights and obligations of the Chairman and members of the Board of Directors, the Head and members of the Board of Supervisors, and Executives of Sacombank which is placed under special control, when necessary.
3. A person who is terminated or suspended from performing his/her rights and obligations under Clause 1 or 2 this Article shall join efforts to remedy problems and violations related to his/her personal responsibilities when so requested by the State Bank, Board of Directors and Board of Supervisors of Sacombank or the Special Control Board.

#### **Article 46. Approval of lists of nominees for the posts of member of the Board of Directors, Board of Supervisors and General Director**

1. The list of nominees for the posts of members of the Board of Directors, Board of Supervisors, General Director shall be approved in writing by the State Bank before these posts are elected and appointed.

Elected and appointed members of the Board of Directors, Board of Supervisors and General Director must be on the list approved by the State Bank.

2. Sacombank shall notify the State Bank of the list of persons who are elected, appointed to the titles provided for in Clause 1 this Article within 10 working days since the election, appointment.

#### **Article 47. Responsibilities for publicity of related interests**

1. A member of the Board of Directors or Board of Supervisors or the General Director or Deputy General Director and the holder of another equivalent post of Sacombank shall notify Sacombank of the following information:
  - a) The name, head office address, business lines and activities, number and date of the Enterprise Registration Certificate and place of business registration of the enterprise or economic organization in which he/she or his/ her Affiliated Persons owns/own a Capital Share or Shares in his/her/their name(s) or authorizes/ authorize or entrusts/entrust other organizations and individuals to own 5% or more of its Charter Capital;

- b) The name, head office address, business lines and activities, number and date of the Enterprise Registration Certificate and place of business registration of the enterprise of which he/she or his/her Affiliated Persons is/are a member/members of the Board of Directors, Members' Council or Board of Supervisors or the General Director (Director).
2. Publicity of the information specified in Clause 1 this Article and changes in related information shall be made in writing within 7 working days after such information arises or changes.
3. Sacombank shall publicize the information specified in Clause 1 this Article annually to its General Meeting of Shareholders, which shall be posted up and kept in Sacombank's Head Office.
4. Sacombank shall inform the State Bank in writing about information as stipulated at Clause 1 of this Article within 07 working days of the date Sacombank receives information publicized according to Clause 2 of this Article.

#### **Article 48. Rights and obligations of Managers and Executives**

1. To exercise their rights and fulfill their obligations under the provisions of Laws, this Charter and Resolutions and decisions of the General Meeting of Shareholders.
2. To exercise their rights and fulfill their obligations honestly and prudently in the interests of Sacombank and its Shareholders.
3. To be loyal to Sacombank; to neither use information, secrets and business opportunities of Sacombank nor abuse their positions and titles and Sacombank's assets for self-seeking purposes or in the- interests of other organizations and individuals, harming the interests of Sacombank and its Shareholders.
4. To keep dossiers and records of Sacombank in order to provide statistics for Sacombank to manage, administer and control its activities and for the State Bank's inspection, supervision and examination.
5. To be knowledgeable about risks in Sacombank operations.
6. To promptly, fully and accurately notify Sacombank of possible conflicts of interests arising from Sacombank's benefits in other institutions or its transactions with other organizations and individuals and to only conduct such transactions when so consented by Board of Directors.

7. Not to create conditions for themselves or their Affiliated Persons to take loans or use other banking services of Sacombank with conditions more preferential and favourable than those under Sacombank's general regulations.
8. To neither have their salaries and remuneration increased nor request bonus when Sacombank suffers loss.

**Article 49. The responsibility for being honest and avoiding dispute over interests of the members of the Board of Directors, the Board of Supervisors, the General Director, and other managers;**

1. The members of the Board of Directors, the Board of Supervisors, the General Director, and other managers must announce their relevant interests as prescribed by the Law on Enterprise and relevant legal documents.
2. The members of the Board of Directors, the Board of Supervisors, the General Director, other managers and persons related to these members must not use information gained from their position for their own interest or for serving interest of other organizations or individuals.
3. The members of the Board of Directors, the Board of Supervisors, the General Director, and other managers must notify the Board of Directors and the Board of Supervisors of the transactions between Sacombank, subsidiary companies, companies controlled over 50% of charter capital by Sacombank, and such members or people related to such members as prescribed by law. Such transactions shall be approved by the General Meeting of Shareholders or the Board of Directors, Sacombank must disclose the information about such Resolutions in accordance with securities laws of information publicity.
4. The members of the Board of Directors must not vote for the transactions that benefits them or persons related to them under the law.
5. The members of the Board of Directors, the members of the Board of Supervisors, the General Director, other managers, and persons related to these members must not use the information that is not allowed to be disclosed, or reveal such information to other persons for making relevant transactions.

**Article 50. Remunerations, salaries and other benefits of members of the Board of Directors and Board of Supervisors, and the General Director**

1. Remuneration, salary and other benefits of members of the Board of Directors, General Director:

- a) Sacombank is entitled to pay remuneration, salary to members of the Board of Directors, General Director and other Managers based on the business results and efficiency.
  - b) The remuneration, salary and other benefits of members of the Board of Directors, General Director shall be paid according to the following regulations:
    - (i). Members of the Board of Directors shall be entitled to remuneration for work and bonus. Remuneration for work shall be calculated on the basis of the working days which are necessary to fulfill the obligations of the members of the Board of Directors and the daily rate of remuneration. The Board of Directors shall estimate the remuneration for each member on the principle of agreement. The total amount of remuneration for the Board of Directors shall be decided by the General Meeting of Shareholders at the annual meeting;
    - (ii). Members of the Board of Directors shall be entitled to reimbursement of meals, accommodation, travel and other reasonable expenses they have spent in order to fulfill delegated obligations;
    - (iii). General Director shall be entitled to salary and bonus. The salary of the General Director shall be decided by the Board of Directors.
  - c) Any member of the Board of Directors who holds an executive position (also including Chairman or Vice Chairman) or who works on a Committee of the Board of Directors or who performs other work which is, in the opinion of the Board of Directors, beyond the scope of the normal duties of a member of a Board of Directors may be paid extra remuneration in the form of a lump sum payment each time, or salary, commission, profit percentage or other form as decided by the Board of Directors.
  - d) The remuneration of members of the Board of Directors and the salary of the General Director and other Managers shall be included in the business expenses of Sacombank in accordance with the provisions of Laws on corporate income tax and shall be presented in a separate item in the annual financial statements of Sacombank and shall be reported to the General Meeting of Shareholders at the annual meeting.
  - e) The remunerations and other benefits paid to members of the Board of Directors shall be publicized under provision of laws.
2. Remuneration, salary and other benefits of members of the Board of Supervisors
- a) Members of the Board of Supervisors shall be paid remuneration according to their work and be entitled to other benefits as decided by the General Meeting of Shareholders. The General Meeting of Shareholders shall decide on the total remuneration and annual operating budget of the Board of Supervisors based on the estimated number of working days, quantity and nature of work and average daily rate of remuneration of members;
  - b) Members of the Board of Supervisors shall be reimbursed for expenses for meals, accommodation, travel and for use of independent consultancy services at reasonable rates. The annual operating remuneration of the Board of Supervisors shall not exceed the

total budget approved by the General Meeting of Shareholders, unless otherwise decided by the General Meeting of Shareholders;

- c) Remuneration and operating costs of the Board of Supervisors shall be included in business expenses in accordance with provisions of Laws on enterprise income tax and other relevant legislation, and must be presented in a separate item in the annual financial statements of Sacombank.
- d) The remuneration and other benefits paid to members of the Board of Supervisors shall be publicized under provision of laws.

#### **Article 51. Tasks and powers of the Board of Directors**

1. To fulfill their responsibility and obligations as prescribed by laws
2. To take responsibility before the General Meeting of Shareholders for the performance of the assigned tasks and powers, to be responsible to the Shareholders for Sacombank' operation.
3. To submit the General Meeting of Shareholders for decision, approval to issues within the scope of competence of the General Meeting of Shareholders as stated in Clause 2 Article 27 of this Article.
4. To decide on the establishment of branches, representative offices and non-business units.
5. To decide the organizational structure of management apparatus of head office, branches, transaction offices, operational units, subsidiaries and subsidiary banks of Sacombank.
6. To appoint, relieve from duty, discipline, suspend the work of, and decide on salaries and other benefits for, the General Director, Deputy General Directors, Chief Accountant, Director of Division, Director of Area, President of Subsidiary, Member of the Board of Directors or of the Partner Assembly of Subsidiary/Subsidiary Bank, Secretary of the Board of Directors and other holders of titles under the internal regulations of the Board of Directors.
7. To adopt plans on capital contribution and shares purchase from enterprises or other credit institutions which account for less than 20% of Sacombank's Charter Capital indicated in the latest audited financial statement.
8. To appoint representatives of contributed capital of Sacombank at other enterprises and credit institutions.



9. To decide to invest in, purchase and sell assets of Sacombank which account for 10% or more of Sacombank's Charter Capital indicated in the latest audited financial statement, except those specified at Point o Clause 2 Article 27 of this Charter.
10. To decide on credit extensions including credit extensions under Clause 7 Article 128 of the Law on Credit Institutions, except for transactions which are subject to the judgment of the General Meeting of Shareholders as stipulated in Point p Clause 2 Article 27 of this Charter.
11. To approve contracts between Sacombank and Subsidiary Companies and Affiliated Companies of Sacombank; contracts between Sacombank and members of the Board of Directors or Board of Supervisors, the General Director, Major Shareholders or their Affiliated Persons, which account for 20% or less of Sacombank's Charter Capital indicated in the latest audited financial statement. In this case, affiliated members have no voting right.
12. To examine, supervise and direct the General Director in performing his/ her assigned tasks: to annually evaluate the work effectiveness of the General Director.
13. To issue internal regulations on the organization, governance and operation of Sacombank in accordance with this Charter and other relevant provisions of Laws, except matters falling within the competence of the Board of Supervisors or General Meeting of Shareholders. Such regulations shall be the basis for determining the scope of entitlements and duties of the Board of Directors, General Director, Committees, Councils and Departments of Sacombank.
14. To decide on risk management policies and supervise the implementation of risk prevention measures by Sacombank.
15. To consider and approve annual reports.
16. To select, under the provisions of Laws, professional assessment institutions for valuing assets contributed as capital other than the Vietnamese currency, freely convertible foreign currencies or gold.
17. To propose the Governor of State Bank to approve matters under the provisions of Laws.
18. To decide to offer new Shares within the limit of Shares eligible for offering.
19. To decide on offer prices of Shares and convertible bonds of Sacombank.
20. To decide on the buy-back of Shares of Sacombank.

21. To propose plans on distribution of profits and Dividends to be paid; to decide on the time limit and procedures for paying Dividends or offsetting losses during the business period.
22. To prepare relevant contents and documents for submission to the General Meeting of Shareholders to decide on matters falling within its competence, except those falling within the ambit of the tasks and powers of the Board of Supervisors.
23. To approve operation programs and plans of the Board of Directors; programs, contents and documents for meetings of the General Meeting of Shareholders; to convene meetings of the General Meeting of Shareholders or collect written opinions of Shareholders in order to adopt Resolutions or decisions of the General Meeting of Shareholders.
24. To organize, examine and supervise the implementation of Resolutions or decisions of the General Meeting of Shareholders and Board of Directors.
25. To promptly notify the State Bank of information adversely affecting the conduct of members of the Board of Directors or Board of Supervisors or the General Director.
26. To treat the shareholders fairly and respect the interests of the persons that are related to Sacombank.
27. To report their operation at the General Meeting of shareholders under provision of laws.
28. To promulgate documents in forms which are consistent with its authorization and limit in order that the General Director manages the process of credit extension, investment, settlement of debts, buying and selling assets, and other issues relating to financial obligations of Sacombank.
29. To perform other tasks and powers in accordance with provisions of Laws, this Charter and internal regulations of Sacombank.

**Article 52. Tasks and powers of the Chairman of Board of Directors**

1. To elaborate working programs and plans of the Board of Directors.
2. To prepare programs, contents and documents for meetings of the Board of Directors; to convene and chair these meetings.

3. To organize the adoption of decisions of the Board of Directors.
4. To supervise the implementation of decisions of the Board of Directors.
5. To chair the meeting of General Meeting of Shareholders.
6. To ensure that all members of the Board of Directors receive adequate, objective and accurate information and have sufficient time for discussing matters to be considered by the Board of Directors.
7. To assign tasks to members of the Board of Directors.
8. To supervise members of the Board of Directors in performing their assigned jobs and common tasks and powers.
9. To evaluate at least once a year the work effectiveness of each member and Committees of the Board of Directors and report evaluation results to the General Meeting of Shareholders.
10. To sign work-handling documents falling within the tasks and powers of the Board of Directors.
11. In any case where the Chairman of Board of Directors is absent or is not able to fulfill his/her duties, he/she shall authorize in writing to another member to perform his/her rights and tasks. If the authorized person is unavailable, other remaining members shall elect a person among the members to temporarily assume the position of Chairman of Board of Directors under the principle of majority and more than half.
12. Other tasks and power in accordance with provisions of laws, this Charter and internal regulations of Sacombank.

**Article 53. Tasks and powers of member of the Board of Directors**

1. Members of the Board of Directors have all the rights prescribed by the Law on Enterprise, the relevant laws and this Charter including the right to receive information and documents about the finance and operation of Sacombank and its units.
2. To honestly exercise their rights and perform their obligations under internal regulations of the Board of Directors and as assigned by the Chairman of the Board of Directors in the interests of Sacombank and Shareholders.

3. To examine financial statements prepared by independent auditors, give opinions on or request Executives of Sacombank, independent auditors and internal auditors to explain matters related to these statements.
4. To propose the Chairman of the Board of Directors to convene an extraordinary meeting of the Board of Directors.
5. To participate in meetings of the Board of Directors, discuss and vote on all matters falling within the tasks and powers of the Board of Directors under this Charter, unless they are disallowed to vote in cases of conflicting interests. To take personal responsibility before the General Meeting of Shareholders and the Board of Directors for their decisions.
6. To organize the implementation of Resolutions, decisions of the General Meeting of Shareholders and of the Board of Directors.
7. To explain the performance of their assigned tasks to the General Meeting of Shareholders and the Board of Directors when so requested.
8. Members of the Board of Directors must submit timely and fully reports to the Board of Directors on the wages that they receive from the subsidiary companies, associate companies and other organizations of which they are the representatives of the contributed capital of Sacombank.
9. Members of the Board of Directors must report their transactions of Sacombank' certificate of shares to the State Securities Commission, Stock Exchange and disclose the information about such transactions under provision of laws.
10. Members of the Board of Directors must fulfill their duties truthfully, carefully in the best interest of the Shareholders and of Sacombank.
11. Sacombank may purchase responsibility insurance for members of the Board of Directors after obtaining the approval from General Meeting of Shareholders. This insurance does not cover the responsibilities of members of the Board of Directors related to the violations of laws and this Charter.
12. To have other tasks and powers with provisions of Laws, this Charter and internal regulations of Sacombank.

## **Article 54. Meeting of the Board of Directors**

1. Contents relating to the meeting of Board of Directors shall be implemented as follows:

- a) The Chairman of the Board of Directors shall be elected during the first meeting of the new Board of Directors within 07 working days from the end of the voting of such Board of Directors. This meeting shall be convened and chaired by the member that receives the most votes or percentage of votes. If there is more than one member who has equal and highest votes or percentage of votes, they shall be voted for by members under the majority rule to convene the meeting of the Board of Directors
- b) The Board of Directors may hold regular or extraordinary meetings. For the regular meeting, the Board of Director must set the agenda. The Board of Directors may hold the meetings at the Head Office of Sacombank or any other address in Vietnam or abroad according to decision of Chairman of the Board of Directors and with the consent of the Board of Directors.
- c) The regular meeting of the Board of Directors shall be convened by the Chairman at any time as he may consider as necessary, but there must be at least one meeting every quarter;
- d) The Chairman of the Board of Directors shall be required to convene a meeting of the Board of Directors in one of the following cases:
  - (i). Upon a request of the Board of Supervisors or independent members;
  - (ii). Upon a request of the General Director or at least five other Managers;
  - (iii). Upon a request of at least two executive members of the Board of Directors;
  - (iv). Other cases as required by Laws.

The request must be made in writing, clearly stating the objectives, issues to be discussed and decided under the competence of the Board of Directors.

- e) Chairman of the Board of Directors or the person who convenes the meeting of the Board of Directors must send invitations of meeting in at least 03 working days before the meeting day. Such invitation of meeting shall specify the time and place of the meeting, agenda, issues to be discussed and decisions. Relevant materials to be used in the meeting and voting cards shall be attached to the invitations;  
Invitations may be sent by post, fax, email or other means, however, they shall be ensured to reach the address of each member of the Board of Directors as registered at Sacombank.
- f) Chairman of the Board of Directors or the convener shall be required to send such notice of meeting and enclosed documents to members of Board of Supervisors as if they are send to members of the Board of Directors;  
Members of Board of Supervisors may participate in all meetings of the Board of Directors, have the right to discuss but not the right to vote.

2. The Chairman must convene a meeting of Board of Directors within 07 working days since the receipt of one of the proposals as stipulated in Point d Clause 1 this Article. Where the Chairman does not convene the meeting of Board of Directors upon request, he shall take full responsibility for any damage to Sacombank, except for the case where the meeting cannot be convened due to force majeure; in that case, the person who asks to hold the meeting has the right to summon the Board of Directors' meeting instead of the Board of Directors.
3. A meeting of the Board of Directors may be convened when it is attended by at least 3/4 (three-quarters) of the total members. If the number of attending members is not sufficient, the second meeting shall be convened within 07 days from the initial meeting date. In this case, the meeting shall be held if it is attended by more than a half of Members of the Board of Directors.
4. A member of the Board of Directors is considered to have attended and cast votes at a meeting if such member:
  - a) Attends and cast votes directly at the meeting; or
  - b) Authorizes another person to attend the meeting as prescribed in Clause 5 of this Article; or
  - c) Attends and casts votes via an online meeting or a similar manner; or
  - d) Sends votes to the meeting by mail, fax, or email.

Votes sent to the meeting by mail must be contained in sealed envelopes and given to the Chairman of the Board of Directors at least one hour before the opening time. Votes shall be opened with the witness of every participants.

5. Members must attend all meetings of the Board of Directors. A member may authorize another person to attend the meeting if approved by a majority of Members of the Board of Directors.
6. A Resolution of the Board of Directors shall be adopted if it is approved by a majority of attending members; in the event of equal votes, the Chairman of the Board of Directors shall have the casting vote.

#### **Article 55. Minutes of Board of Directors' meeting**

1. All contents related to the minutes of Board of Directors' meeting shall be implemented as follows:
  - a) Meetings of the Board of Directors shall be recorded in writing and also in audio recordings or other electronic means. A minutes of the meeting shall have following main contents:
    - (i). Name, address of the Head Office, enterprise code;
    - (ii). Objectives, agenda and contents of meetings;
    - (iii). Time and venue of meeting;

- (iv). Full name of each participant or of the authorized person, full names of absent members and reasons for absence;
- (v). Issues discussed and voted during meetings;
- (vi). Summary of opinions by each participant in the order of the meeting proceedings;
- (vii). The voting result, clearly stating members who vote for, against and express no idea;
- (viii). Adopted decisions;
- (ix). Full names and signatures of all participating members or authorized participants.

The chairman and the minute maker must be jointly responsible for the accuracy and trustfulness of the minutes of meetings of the Board of Directors.

- b) Minutes of meetings of the Board of Directors and documents used in the meetings must be archived at the Head Office of Sacombank.

When a meeting participant refuses to sign the minutes of a meeting, the reason for refusal must be clearly recorded; otherwise, that member's votes on issues in the meeting are regarded invalid.

- 2. The minutes of a meeting of the Board of Directors shall be written in Vietnamese and additionally made in other foreign languages. The copies of the minutes in Vietnamese and foreign languages are of equivalent legal validity. In case of inconsistency between Vietnamese contents and other foreign languages' contents, Vietnamese contents shall prevail..

#### **Article 56. Competence and the formality of collecting written opinions from the members of Board of Directors**

- 1. The Chairman of the Board of Directors may decide to collect written opinions of members of the Board of Directors.
- 2. The secretary of the Board of Directors shall prepare written opinions form and necessary documents related to contents to be commented. Written opinions form and attached documents must be sent by registered mail to the contact address of each member of the Board of Directors.
- 3. A written opinions form must cover the following major details:
  - a) Name, address of Head Office, serial numbers and dates of issuance of Sacombank's Establishment and Operation License and Enterprise Registration Certificate;
  - b) Purposes for collecting opinions;
  - c) Full names and contact addresses of members of the Board of Directors;
  - d) Issues to be commented;
  - e) Voting options, including affirmative vote, negative vote and abstentions;
  - f) Deadline for sending filled-in written opinion form to Sacombank;
  - g) Full name and signature of the Chairman of the Board of Directors.

4. Filled-in written opinion form must be signed by members of the Board of Directors and sent to the Sacombank under the Sacombank's regulations.
5. The secretary of the Board of Directors shall count the votes and make a minute of vote counting under the supervision by at least one Independent Member of the Board of Directors. Such a minute must cover the following major details:
  - a) Name and address of the Head Office, serial numbers and dates of issuance of the Sacombank's Establishment and Operation License and Enterprise Registration Certificate;
  - b) Purposes and issues to be collected;
  - c) Total numbers of votes sent and collected, numbers of valid and invalid votes. The minutes must be enclosed with a list of voting members of the Board of Directors;
  - d) Total numbers of affirmative vote, negative vote and abstentions on each issue;
  - e) Full names and signatures of the person in charge of vote counting and the supervisor.In case Sacombank has no Independent Member of the Board of Directors, and the Board of Directors collects written opinions of its members, the Board of Directors' secretary shall count the votes and make a minute of vote counting under the supervision of at least one member of the Board of Supervisors.
6. The secretary of the Board of Directors involved in the collection of written opinions from members of the Board of Directors and the vote counting supervisor shall take joint responsibility for the truthfulness and accuracy of the vote counting minutes and for losses incurred from decisions adopted as a result of untruthful and inaccurate vote counting.
7. The vote counting minutes and the Resolution and decision adopted by the Board of Directors based on vote counting results shall be sent to members of the Board of Directors within 15 days after the completion of the vote counting.
8. Filled-in written opinions form, the vote counting minutes, the full text of the adopted Resolution and related documents enclosed with written opinions form shall be stored at the Head Office of Sacombank.
9. A decision adopted by collecting written opinions of members of the Board of Directors is as valid as a decision adopted by a meeting of the Board of Directors.

#### **Article 57. Tasks and powers of Board of Directors' Secretary**

1. Where necessary, the Chairman of the Board of Directors shall hire a secretary to assist the Board of Directors and the Chairman of the Board of Directors in performing their duties in accordance with law and this Charter.



2. Tasks and powers of the Board of Directors' Secretary are as follows:
  - a) Assist the convention of the General Meeting of Shareholders and meetings of the Board of Directors; making meeting minutes;
  - b) Assist Members of the Board of Directors in performing their rights and obligations;
  - c) Assist the Board of Directors in applying and implementing the Sacombank's administration principles;
  - d) Assist the Board of Directors in building shareholder relationships and protecting the lawful rights and interests of shareholders;
  - e) Assist the Board of Directors in fulfilling its obligation to provide information, disclose information and administrative procedures.
  - f) Perform other rights and obligations prescribed by laws.

**Article 58. Tasks and powers of the Board of Supervisors**

1. To oversee the observance of provisions of Laws and this Charter in governance and administration of Sacombank; to be responsible for supervising Sacombank's finance, the legitimacy in the operation of the members of the Board of Directors, General Director, and other managers, the cooperation between the Board of Supervisors and the Board of Director, the shareholders, and other duties as prescribed by laws and this Charter in order to protect the lawful interests of Sacombank and its shareholders.
2. To be responsible before shareholders for their supervision; to be responsible to the General Meeting of Shareholders for the performance of its assigned tasks and powers.
3. To designate, dismiss, discipline, suspend and decide on salaries and other benefits for titles of internal audit department.
4. To issue its internal regulations; to annually review its internal regulations and important policies on accounting and reporting.
5. To perform the function of internal audit; to have the rights to use independent consultants and access and fully, accurately and promptly receive information and documents related to the administration and management of Sacombank to perform its assigned tasks and powers.
6. To appraise biannual and annual financial statements of Sacombank; to report to the General Meeting of Shareholders on its appraisal of financial statements and its assessment of the reasonability, lawfulness, truthfulness and prudence in accounting, statistical work and financial statement making. To consult the Board of Directors before submitting its reports and recommendations to the General Meeting of Shareholders.

7. To examine accounting books, other documents and the governance and administration of Sacombank's operations when necessary or under Resolutions or decisions of the General Meeting of Shareholders or at the request of Major Shareholders or groups of Major Shareholders under the provisions of Laws. To conduct examination within 7 working days after receiving a request. Within 15 days after completing examination, to report and explain examined matters to requesting organizations and individuals. The examination by the Board of Supervisors as stipulated herein shall not hinder the normal activity in management, executive Sacombank's business.
8. To promptly notify in writing to the Board of Directors when detecting a Manager and other manager of Sacombank committing violations provided by laws and this Charter, to request the violator within 48 (forty eight) hours to immediately terminate his/her violations and remedy consequences, if any.
9. To make a list of Founding Shareholders, Major Shareholders and Affiliated Persons of members of the Board of Directors and Board of Supervisors and General Director of Sacombank; to keep and update changes in this list.
10. To request the Board of Directors to convene extraordinary meetings or request the Board of Directors to convene extraordinary meetings of the General Meeting of Shareholders under the Law on Credit Institutions and this Charter.
11. To convene an extraordinary meeting of the General Meeting of Shareholders when the Board of Directors makes a decision seriously violating the Law on Credit Institution or beyond its vested powers and in other cases under the provision of this Charter.
12. To send reports to the annual General Meeting of Shareholders as provided by laws.

**Article 59. Tasks and powers of the Head of Board of Supervisors**

1. To organize the performance of tasks and powers of the Board of Supervisors defined in Article 58 of this Charter.
2. To prepare agenda for the Board of Supervisors based on proposals by members of the Board of Supervisors regarding the tasks and powers of the Board of Supervisors; to convene and chair the meeting of the Board of Supervisors.
3. On behalf of the Board of Supervisors, to sign documents falling within the competent of the Board of Supervisors.

4. On behalf of the Board of Supervisors, to convene an extraordinary General Meeting of Shareholders as stipulated in Article 58 of this Charter or to request the Board of Directors to convene an extraordinary meeting.
5. To attend at the meetings of the Board of Directors, to give opinions in these meetings but to have no right to vote.
6. To request the inclusion of his/her opinions in minutes of meetings of the Board of Directors when these opinions differ from Resolutions and decisions of the Board of Directors and report such before the General Meeting of Shareholders.
7. To prepare working plans for and assign tasks to the members of Board of Supervisors.
8. To ensure that all members of the Board of Supervisors receive complete, objective and accurate information and have enough time to discuss on matters to be considered by the Board of Supervisors.
9. To supervise and direct Board of Supervisors members in performing their tasks, rights and obligations.
10. To authorize another member of the Board of Supervisors to perform his/her tasks when absent.
11. To request the Board of Directors, General Director and other managers to provide relevant information to report to the Board of Supervisors.
12. To prepare and sign the report of the Board of Supervisors after consultation with the Board of Directors to submit to the General Meeting of Shareholders.

**Article 60. Rights and obligations of a member of the Board of Supervisors**

1. To observe the provisions of Laws, this Charter and Board of Supervisors' internal regulations honestly and prudently in the interests of the Sacombank and Shareholders.
2. To elect a member of the Board of Supervisors to be the Head of the Board of Supervisors.
3. To request the Head of the Board of Supervisors to convene an extraordinary meeting of the Board of Supervisors.

4. To control business activities, accounting books, assets and financial statements and recommend remedies.
5. To request officers and staffs of the Sacombank to provide statistics and explain business operations in order to perform assigned tasks.
6. To report on abnormal financial activities to the Head of the Board of Supervisors and take responsibility for their own evaluation and conclusions.
7. To attend the meeting of Board of Supervisors, to discuss and vote on matters within the scope of tasks and powers of the Board of Supervisors, except those involving conflicts of their interests.
8. To access all the information and documents related to Sacombank's operation.

**Article 61. Rights, obligations of the General Director**

1. To organize the implementation of Resolutions and decisions of the General Meeting of Shareholders, Board of Directors and internal regulations promulgated by the Board of Directors.
2. To organize and administer Sacombank's everyday business operation according to the best management practices and in accordance with the laws and internal regulations of the Bank.
3. To decide on matters related to day-to-day business activities of Sacombank under his/her competence and/or other matters in the scope stipulated by the Board of Directors without their resolutions or decisions, except for the matters within the competence of the General Meeting of Shareholders, the Board of Directors, the Board of Supervisors in accordance with the law, this Charter and Sacombank's internal regulations.
4. To decide on investments, purchases, sales of Sacombank's assets of which the values are lower than 10% of Sacombank's Charter Capital written in the last audited financial statement, except that the Board of Directors decides a smaller rate. With regard to credit extension, settlement of debts, the General Director shall be in accordance with internal regulations promulgated by the Board of Directors.
5. To set up the internal control system and maintain its effective operation.

6. To make and submit financial statements to the Board of Directors for approval or for reporting to competent authorities for approval. To take responsibility for the accuracy and truthfulness of financial statements, statistical reports, settlement statistics and other financial information.
7. To recommend the organizational structure plan, internal management regulation of Sacombank.
8. To issue according to his/her competence internal regulations; professional processes and procedures to operate business administration, information and reporting systems.
9. To report the Board of Directors, Board of Supervisors, General Meeting of Shareholders and competent state agencies on business activity and result of Sacombank.
10. To decide on the application of measures beyond his/her competence in cases of natural disasters, enemy sabotage, fires and incidents, take responsibility for these decisions and promptly report them to the Board of Directors.
11. To propose, recommend about the organizational and operation structure of Sacombank and submit the Board of Directors or General Meeting of Shareholders for deciding within the scope of competence.
12. To propose the Board of Directors to convene an extraordinary meeting in accordance with provisions of this Charter.
13. To appoint, relieve from duty and dismiss holders of managerial and executive posts of Sacombank according to the hierarchy decided by the Board of Directors, except those to be decided by the General Meeting of Shareholders, Board of Directors.
14. On behalf of Sacombank, to sign contracts under this Charter and internal regulations of Sacombank.
15. To propose plans to use profits and handle losses of Sacombank.
16. To recruit employees; to decide on salaries, bonuses, allowances and other benefits of employees according to his/her competence and under the law and internal regulations promulgated by the Board of Directors.
17. The General Director shall take responsibility for the management of Sacombank's daily business activities in accordance with provisions of Laws, this Charter, contracts signed

between labors and Sacombank and decision of the Board of Directors. In case of causing damage to Sacombank due to failing to comply with such regulations, the General Director must take responsibilities as provided for by Laws and make compensation to Sacombank.

18. Other rights and obligations under the law, this Charter and Sacombank's internal regulations.

### ***SECTION VIII. SACOMBANK'S ORGANIZATIONAL STRUCTURE***

#### **Article 62. Establishment of branches, representative offices**

Depending on its form of operation, upon the written approval from SBV, Sacombank may establish:

1. Branches, representative offices and non-business units in domestic, even in the province or centrally run city in which it is Head Office.
2. Branches, representative offices and other forms of commercial presence abroad.

#### **Article 63. The management and organizational structure**

The management and organizational structure of Sacombank shall include: The General Meeting of Shareholders, Board of Directors, Board of Supervisors and General Director.

#### **Article 64. Reorganization of the Bank**

The Bank may be reorganized by split-up, division, consolidation, merger or transformation of the legal form after obtaining SBV's written approval.

### ***SECTION IX. RIGHT TO INVESTIGATE SACOMBANK'S BOOKS AND RECORDS***

#### **Article 65. Right to investigate books and records**

1. Major Shareholders, who hold shares in at least 6 consecutive months, shall be entitled to directly or authorized person to send a written notice in order to investigate the list of Shareholders and minutes of the General Meeting of Shareholders during working hours at Sacombank's Head Office and make photocopies or reproduce such documents. Request from the authorized person of the Shareholders must be enclosed with the letter of attorney of the Shareholder, for whom such a person is a representative or a notarized copy of this letter of attorney.
2. Members of the Board of Directors, members of Board of Supervisors, General Director and other Managers are entitled to examine Register Book of Shareholders, list of Shareholders and other books and documents of Sacombank for purposes related to their positions provided that such information must be kept confidential.

3. Sacombank must archive this Charter and its modification and supplementation versions, Establishment and Operation License, Enterprise Registration Certificate and the regulations and documents which prove the ownership to assets, resolutions or meeting minutes of the General Meeting of Shareholders and of the Board of Directors, reports of the Board of Directors and of Board of Supervisors, accounting books and any other documents in accordance with provisions of Laws at the Head Office or another place provided that the Shareholders and business registration agency are notified about the archive place of such documents.
4. This Charter shall be published on Sacombank's website.

## ***SECTION X. LABORERS AND THE LABOR UNION***

### **Article 66. Laborers and the Labor Union**

The General Director must prepare a plan in order for the Board of Directors to approve issues relating to recruitment, labor, termination of employment, salary, social insurance, welfare, rewards and discipline applicable to managers and employees.

The General Director must make plans for the Board of Directors to adopt the issues related to Sacombank's relationship with the Labor Union in accordance with best management standards, practices and policies, the practices and policies stipulated in this Charter, the Regulations of the Sacombank, and currently provisions of Laws.

## ***SECTION XI. DISTRIBUTION OF PROFITS***

### **Article 67. Dividend**

1. Dividends on preference shares shall be paid under conditions applied to each type of preference shares.
2. Dividends on ordinary shares are determined according to the net profit earned and the dividend payment extracted from the undistributed profit of Sacombank. Sacombank may only pay dividends on ordinary shares when all of the conditions below are satisfied:
  - a) Sacombank has fulfilled tax liability and other financial obligations as prescribed by law
  - b) Sacombank's funds have been established and developed; previous losses are fully offset against as prescribed by law and Sacombank's Charter.
  - c) Right after the dividend is fully paid, Sacombank is still able to pay due debts and other liabilities.

3. Dividends may be paid in cash, Sacombank's shares, or other assets prescribed by laws. If dividend is paid in cash, the currency shall be VND; it is permissible to make dividend payment by checks, wire transfer, or payment order by post to the shareholders' permanent residences or mailing addresses.

Dividends may be paid through wire transfer when Sacombank has all information on Shareholders' banks, which enables Sacombank to make direct transfer to the Shareholders' bank accounts. If Sacombank has transferred the money according to the bank information provided by Shareholders, it shall not be responsible for any losses incurred from that transfer.

4. Dividend must be fully paid within 06 months from the end of the Annual General Meeting of shareholders. The Board of Directors shall make a list of shareholders receiving dividends, determine the levels of dividend on each share, deadline and method of payment at least 30 days before the dividend payment. The notifications of dividend payment shall be sent by registered mail to the addresses in the Register Book of shareholders at least 15 days before the date of dividend payment. The notification shall contain:
  - a) Name, head office address of Sacombank;
  - b) Full names, permanent residences, nationalities, ID/passport numbers of shareholders being individuals;
  - c) Names, enterprise code or establishment decision numbers, and the head office addresses of shareholders being organizations;
  - d) Amount of each type of shares of shareholder; level of dividend on each type of shares, and total dividend received by the shareholder;
  - e) Time and method of dividend payment;
  - f) Full name and signature of the Chairman of the Board of Directors and Sacombank's representative-at-law.
5. If a shareholder transfers his/her shares during the period from the completion of the compilation of the list of shareholders and the time of dividend payment, the transferor shall receive dividend from Sacombank.
6. In case dividends are paid with shares, Sacombank is not required to follow procedures for share offering prescribed in Articles 23 of this Charter. Sacombank shall register an increase to Charter Capital, which equal to value of shares used as dividend payment, within 10 days from completion of the dividend payment.
7. Based on plan and rate of dividends as approved by the General Meeting of shareholders, the Board of Directors may decide to pay the advance of mid-term dividends provided that such payment is consistent with the Sacombank's profitability.



***SECTION XII. THE INTERNAL CONTROL SYSTEM, INTERNAL AUDIT SYSTEM,  
RESERVED FUND, FISCAL YEAR, ACCOUNTING SYSTEM***

**Article 68. Internal audit and internal control system**

1. The internal audit:
  - a) Sacombank shall be required to establish a specialized internal audit unit under the management of the Board of Supervisors, which performs the internal audit for Sacombank.
  - b) An internal audit shall carry out the checking, independent and objective assessment to the internal control system; make independent assessment to the conformity and compliance with provisions, internal policies, procedures, processes which have been established within Sacombank; provide recommendations for the purpose of improving the efficiency of the systems, processes, provisions, making contribution to ensuring the Sacombank's activity to be safe, efficient and in line with applicable Laws.
  - c) Internal audit result shall be timely reported to the Board of Directors, Board of Supervisors and sent to the General Director of Sacombank.
  
2. Internal control system:
  - a) An internal control system is the combination of internal mechanisms, policies, processes, internal regulations, organizational structure of Sacombank, which are established in conformity with the Law on Credit Institutes, guidance of SBV and other relevant regulations and are implemented to control, prevent, detect, promptly handle risks and meet set requirements. The internal control system carries out senior management oversight, internal control, risk management, internal capital adequacy assessment and internal audit.
  - b) Sacombank shall be required to set up an internal control system in order to ensure following requirements:
    - (i). Efficiency and safety in activity; protecting, managing, utilizing, on a safe and efficient manner, their assets and resources;
    - (ii). The system of financial information and management information is correct, reasonable, adequate and timely;
    - (iii). Laws and internal regulations, processes and provisions are complied with;
    - (iv). Being appropriate for the scale, conditions and complexity of the Sacombank's business activities;
    - (v). Having sufficient financial, human and IT resources in order to ensure the internal control system's effectiveness;
    - (vi). Creating and maintaining a control culture and work ethics for Sacombank.
  - c) Activities of the internal control system of Sacombank shall be subject to internal audit and periodical assessment by an independent audit organization.

#### **Article 69. Standards for Internal Auditors**

An internal auditor shall be required to fully satisfy the following standards:

1. To have a bachelor degree (or above) in one of the following disciplines: economics, business administration, law, accounting or auditing; to have a bachelor degree (or above) in information technology or any other discipline that is suitable for a technology auditor;
2. To have experience in working directly in banking, finance, accounting or auditing, at least two years in the case of internal auditors and three years in the case of Chief Internal Auditors; to have at least two years of experience in working in the information technology in the case of technology auditors.

#### **Article 70. Responsibilities of the Internal audit**

1. To keep secret of the information, documents in accordance with the law and Sacombank's internal regulations.
2. To take responsibility to the Board of Supervisors for the result of assigned tasks.
3. The internal auditor takes legal responsibility for and answers to the Chief Internal Auditor about the assigned auditing tasks..

#### **Article 71. Duties and authorities of the Internal Audit.**

1. Duties of the Internal Audit
  - a) To perform internal audits for Sacombank's head office, branches and other affiliates;
  - b) To create, review in order to submit to the Board of Supervisors for promulgation, amendment and supplement:
    - (i). Work ethics of members of the Board of Supervisors and internal auditors according to instructions of the State Bank of Vietnam;
    - (ii). Internal regulations of the Board of Supervisors;
    - (iii). Internal audit plans;
  - c) To monitor and assess fulfillment of requests of the Board of Supervisors for the Board of Directors, General Director, individuals and divisions;
  - d) To fulfill requests of the State Bank of Vietnam, independent auditing firms and other relevant authorities about internal audit.
  - e) To produce internal audit reports as instructed by the State Bank of Vietnam.
2. The authorities of the Internal Audit:
  - a) To be equipped with necessary resources (human resources, financial resources, assets and other necessary facilities);

- b) To be supplied with all information, documents, files which are necessary for the internal audit activity including documents, meeting minutes of the Board of Directors and General Director;
- c) To be entitled to To interview individuals for contents relating to internal audit; to request the competent level as specified Sacombank's internal regulations for action against any uncooperative individual or department during the internal audit process;
- d) To be entitled to attend internal meetings as specified in this Charter and Sacombank's internal regulations.

#### **Article 72. The financial regulations**

1. Sacombank shall comply with financial regulations of the Government and guidance of the Ministry of Finance.
2. The Board of Directors, the Board of Supervisors and General Director of Sacombank shall take responsibility before law and State management agencies for Sacombank's observance of financial, audit and accounting regulations of Sacombank.
3. Pursuant to written guidelines for financial regulations of competent authorities, the Board of Directors shall be responsible for approval and promulgation of Financial Regulations of the Bank for implementation.

#### **Article 73. Use of capital**

1. Sacombank shall be entitled to use the capital for its business activities, for investment in construction, purchase of fixed assets in accordance with provisions of Laws.  
Sacombank is entitled to purchase or invest in fixed assets in direct service of its operations at no more than 50% of its Charter Capital and the reserve fund for Charter Capital supplement.
2. Sacombank shall be entitled to make change to its capital and assets structure to attend to the development of business in accordance with provisions of Laws.

#### **Article 74. Reserve funds**

1. Annually, Sacombank shall deduct from its after tax profits for setting up and maintaining the following reserve funds:
  - a) The reserve fund for supplementation of Charter Capital or allocated capital, which is annually set at 5% of after-tax profits. This fund must not exceed the level of Charter Capital or allocated capital Sacombank;
  - b) The financial reserve fund;
  - c) Other reserve funds prescribed by law.

2. Sacombank shall not be authorized to use the funds specified in Clause 1 this Article for paying Dividend to Shareholders.

#### **Article 75. Sacombank's self-control in finance**

Sacombank shall control its financial condition by itself; take responsibility for its business activities, to perform the duties and agreements in accordance with provisions of Laws.

#### **Article 76. Bank account, Fiscal year and Accounting system**

1. Sacombank shall perform its accounting and statistic regime in accordance with Laws.
2. Sacombank's financial year shall commence from 01<sup>st</sup> January and end on 31<sup>th</sup> December of the calendar year.
3. Sacombank shall set up its accounting books in Vietnamese. Sacombank shall keep accounting records by type of business operations in which the company involved. These records must be accurate, updated and sufficient to prove and explain Sacombank's transactions
4. Sacombank shall conduct accounting under the provisions of Laws on accounting.
5. The economic and financial transactions shall be recorded into accounting books, financial statements and settlement reports in Vietnam dong. Accounting units primarily spending and receiving in one foreign currency are allowed to select such foreign currency to record into accounting books and take legal responsibilities. The accounting units shall convert foreign currency into Vietnam dong when preparing the financial statements used in Vietnam.
6. Sacombank shall opens bank account in Vietnam or in foreign banks licensed to operate in Vietnam. Under the prior approval of the competent authority, in case of necessity, Sacombank can open bank accounts in foreign countries under the provisions of law. Sacombank shall conduct all payments and accounting transactions through the account of Vietnamese currency or foreign currencies in the banks that Sacombank opens accounts under the provisions of law.

### ***SECTION XIII. ANNUAL REPORT, DISCLOSURE OF REPORT.***

#### **Article 77. Reporting**

1. Sacombank shall make reports under the accounting and statistics law and periodical reports on professional operations under the Slate Bank's regulations and under the provisions of law.

2. Sacombank shall prepare its annual financial statements under the provisions of law and the regulations of the State Securities Commission and such statements must be audited in accordance with this Charter, and to submit the annual financial statements, which has been approved by the General Meeting of Shareholders to authorized tax agency, the State Securities Commission, the Stock Exchange/Securities Trading Centre and the business registration agency under the provisions of law.
3. Sacombank's financial statement comprises an accounting balance sheet, a business result report, a report on cash flow and an explanation of the financial statement. An annual financial statement must truthfully and objectively reflect profits and losses of Sacombank in the financial year and professional operations of Sacombank up to the time of reporting.
4. Sacombank shall prepare and publish examined semi-annual financial statements and quarterly financial statements under regulations of the State Securities Commission, the Stock Exchange/Securities Trading Centre and submit to authorized tax agency and the business registration agency under the provisions of law.
5. The audited financial statements (including the auditor's opinion), examined semi-annual financial statements and quarterly financial statements must be published on the website of Sacombank.
6. Sacombank must prepare and publish annual report in accordance with the law on securities and securities markets.
7. Sacombank shall make a consolidated financial statement under the provisions of law.
8. Sacombank shall make and send periodical reports under the State Bank's regulations. In addition, it shall has responsibility to report in writing promptly to the State Bank in the following cases:
  - a) Upon the occurrence of abnormal developments in professional operations which may seriously affect Sacombank's business;
  - b) Upon the occurrence of changes in the organizational or executive structure or the financial status of a Major Shareholder or other changes which may seriously affect Sacombank's business activities;
  - c) Upon the occurrence of changes in name of any Sacombank's branches; temporary suspension of business for less than 05 working days; listing of shares on the domestic securities market.

9. Sacombank shall submit to the State Bank the annual reports in accordance with provisions of Laws within 90 days after the end of a fiscal year.

#### **Article 78. Disclosure of financial statements**

Within 120 (one hundred and twenty) days after the end of a fiscal year, Sacombank shall disclose its financial statements in accordance with the provisions of law.

### ***SECTION XIV. AUDITING***

#### **Article 79. Independent audit**

1. Before closing a financial year, Sacombank shall select an independent audit institution which is competent under the State Bank's regulations to audit its operations in the subsequent fiscal year.
2. Board of Directors shall be entitled to select an independent auditing institution to audit the financial statements and the operation of internal control system of Sacombank based on the recommendations and suggestions of Board of Supervisors.
3. Within 30 days after selecting an independent audit institution, Sacombank shall notify the State Bank of such audit institution.
4. Sacombank must have another independent audit when the audit report contains exemption opinions of the independent audit institution.

### ***SECTION XV. SPECIAL CONTROL, BANKRUPTCY, DISSOLUTION AND LIQUIDATION***

#### **Article 80. Special Control**

1. When facing insolvency possibilities, the Bank shall promptly report to the State Bank on its status, causes, measures already taken and to be taken to remedy the situation and its proposal to the State Bank.
2. The Bank might be considered to place under special control in one of the following cases:
  - a) It has lost or is likely to lose solvency according to regulations of the State Bank;
  - b) Its accrued loss exceeds 50% of charter capital and reserve funds according to the latest audited financial statement;
  - c) It fails to maintain the capital adequacy ratio specified in Point b Clause 1 Article 130 of the Law on credit institutes for 12 consecutive months or the capital adequacy ratio is below 4% for 06 consecutive months;
  - d) It is ranked low for 02 consecutive years according to the State Bank's regulations.

3. Responsibilities of Board of Directors, Board of Supervisors and General Director:
  - a) To develop the restructuring plan at the request of the Special Control Board;
  - b) To implement the restructuring plan and guidelines approved by a competent authority;
  - c) To manage, control, operate the Bank's business; to ensure safety of assets of the Bank;
  - d) To carry out decisions and requests of the State Bank according to Article 146a of the Law on credit institutes;
  - e) To carry out decisions and requests of the special control board according to Article 146b of the Law on credit institutes.

4. Termination of special control:

The State Bank will consider terminating the special control of the Bank in any of the following cases:

- a) The Bank has overcome the situation that results in the special control and adheres to the safety ratios specified in Article 130 of the Law on credit institutes;
- b) During the special control, the Bank is acquired by or consolidated into another credit institution, or is dissolved;
- c) After the judge has appointed an Asset Management Officer or an enterprise responsible for management and liquidation of the assets of the Bank to carry out bankruptcy procedures.

#### **Article 81. Bankruptcy of the Bank**

1. After the State Bank issues a document on termination of special control or a document on the termination or non-application of solvency restoration measures, if the Bank remains in the state of bankruptcy, it shall file a request for a Court to open procedures for settlement of bankruptcy declaration requests under the bankruptcy Laws.
2. Upon receiving a request for opening bankruptcy procedures for the Bank as prescribed in Clause 1 of this Article, the Court shall open procedures for settlement of bankruptcy declaration requests and immediately apply procedures for liquidating the Bank's assets under the bankruptcy Laws.
3. After the Judge has appointed an Asset Management Officer or an enterprise responsible for management and liquidation of the assets, the State Bank recovers the Bank's license.

#### **Article 82. Dissolution of the Bank**

The Bank shall dissolve in the following cases:

1. It voluntarily applies for the dissolution in case it can repay all debts and the State Bank so approves in writing. In this case, the Bank shall submit a request for dissolution to the State Bank at least 180 days before the tentative date of its closure.
2. Upon expiration of its operation duration, it does not apply for extension or applies for extension but the extension is rejected by the State Bank.
3. Its license is revoked.

#### **Article 83. Liquidation of the Bank's assets**

1. In case the Bank is declared bankrupt, the liquidation of its assets complies with the bankruptcy Laws.
2. In case of dissolution under Article 82 of this Charter, the Bank shall liquidate its assets under the supervision of the State Bank and follow the order and procedures for asset liquidation prescribed by the State Bank.
3. In the process of supervising the liquidation of assets of the dissolved Bank, if detecting that the Bank cannot repay all debts, the State Bank shall issue a decision to terminate the liquidation and implement the plan for bankruptcy of the Bank in accordance with Section 1e Chapter VIII of Law on amendments to some articles of the Law on credit institutions .
4. The Bank shall pay all costs related to the liquidation of assets.

### ***SECTION XIV. INTERNAL DISPUTE RESOLUTION***

#### **Article 84. Internal dispute resolution**

1. In case of disputes or complaints related to Sacombank's operations or to the rights and obligations of the Shareholders as stipulated in this Charter, Law on Credit Institutions, the Enterprise Law and other laws or administrative regulations between:
  - a) Shareholders and Sacombank;
  - b) Shareholders and the Board of Directors, Board of Supervisors, General Director or senior managers.

The parties concerned shall try to resolve the dispute through negotiation and conciliation. Except for disputes concerning the Board of Directors or the Chairman of the Board of Directors, the Chairman of the Board of Directors shall resolve the disputes and require each party to present practical factors related to the dispute within 21 (twenty one) working days from the date the dispute arising. If the dispute involves Board of Directors or the Chairman of Board of Directors, any party may be entitled to request the settlement of competent agencies.



2. In case of failure to achieve the reconciliation decision within six (06) weeks from the start of the process of reconciliation or if the mediator's decision is not accepted by the parties, any party may refer the dispute to Arbitration or competent Court for settlement.
3. The parties shall bear all costs relating to procedures for negotiation and conciliation. The Court shall decide which party is to bear the costs of the Court.

## ***SECTION XVII. INFORMATION AND CONFIDENTIALITY***

### **Article 85. Provision of information**

1. Sacombank shall provide account holders with information on transactions and credit balances of their accounts as agreed upon with these holders.
2. Sacombank may exchange information on its activities with other credit institutions.
3. Sacombank shall provide the State Bank with information related to its business activities and may receive from the State Bank information on clients having credit relations with Sacombank under the State Bank's regulations.

### **Article 86. Confidentiality of information**

Employees, Managers and Executives of Sacombank may not disclose business secrets of Sacombank.

Sacombank shall keep secret information relating to accounts, deposits, deposited assets and transactions of its clients at Sacombank.

Sacombank may not provide information relating to accounts, deposits, deposited assets and transactions of clients at Sacombank for other organizations and individuals unless it is so requested by competent State agencies under the provisions of Laws or consented by clients.

## ***SECTION XVIII. EFFECTIVE DATE, SUPPLEMENT TO AND AMENDMENT OF THIS CHARTER***

### **Article 87. Effective date**

1. This Charter shall be effective since the date when they are approved by the General Meeting of Shareholders.

2. The managers, executives and people holding other positions of the Bank who are elected or designated before the effective date of this Charter but fail to satisfy the conditions specified in this Charter may keep holding their positions until the end of their term of office.
  
3. Any supplement to and amendment of this Charter must be considered and decided by the General Meeting of Shareholders. Where any regulations of Laws relating to the operation of Sacombank have not been mentioned in this Charter and/or where new regulations of Laws are different from the content of this Charter, such regulations of Laws shall automatically apply to, and shall regulate the operation of Sacombank.

*Ho Chi Minh City, dated 26<sup>th</sup> April 2019*

**On behalf of SHAREHOLDERS' GENERAL MEETING**

**NGUYEN DUC THACH DIEM  
GENERAL DIRECTOR**

**DUONG CONG MINH  
CHAIRMAN OF THE BOARD OF  
DIRECTORS**

**TRAN MINH TRIET  
HEAD OF BOARD OF  
SUPERVISORS**