

**REGULATIONS ON
MANAGEMENT & ADMINISTRATION OF
SAIGON THUONG TIN COMMERCIAL JOINT STOCK BANK**

*(Issued together with Decision No...../2017/QĐ-HĐQT dated/...../2017
of the Board of Directors of Saigon Thuong Tin Commercial Joint Stock Bank)*

**CHAPTER I
GENERAL PROVISIONS**

Article 1. Scope of regulation

1. This Regulation prescribes the organizational structure, operation mechanism, tasks and powers of the Board of Directors, Board of Directors' members, as well as, the methods to perform the functions of management and administration and the basic principles in management and administration at Saigon Thuong Tin Commercial Joint Stock Bank, in order to:
 - a) Protect the legitimate rights and interests of Shareholders and the Bank; and
 - b) Ensure that the Bank operates in accordance with the Laws and Bank's Charter towards the best practices and standards on management and administration of banking activities.
2. Contents related to the sequences and procedures of the meetings of General Meeting of Shareholders; nomination, candidacy, election, appointment/relief from duty and dismissal of members of Board of Directors and Board of Supervisors and the General Director shall be performed according to Sacombank's Charter.
3. The basic principles of this Regulation shall apply to all body/ units engaged in the management and administration apparatus of the Bank including the Board of Directors, Committees under the Board of Directors, the Board of Management, professional Divisions and other agencies throughout the whole of Bank.

Article 2. Definitions and interpretation

Terms and abbreviations in this Regulation are construed as follows:

1. "Sacombank" or "Bank" refers to Saigon Thuong Tin Commercial Joint Stock Bank.
2. "General Meeting of Shareholders" means the supreme decision-making body of Sacombank who exercises its rights and obligations in accordance with the Charter and the Laws.
3. "Board of Directors" or "BOD" means the managerial body having full power, on behalf of Sacombank, to decide and execute Sacombank's rights and obligations, except for issues under the authority of the General Meeting of Shareholders.
4. "Charter" means the Charter being applied at the Bank and registered with the State Bank of Vietnam (SBV).
5. "Committee" means a specialized body established by the BOD to perform the functions of consulting, advising and assisting BOD in the overall management on the Bank's operations. A Committee exercises its tasks and powers in accordance with the policies, Charter and internal regulations issued by Sacombank.

6. "Council" means an agency under a Committee and established by the BOD; or an agency under the Board of Management and established by the General Director with the aim of consulting, advising and assisting the Committee, BOD and General Director.
7. "Board of Management" includes General Director, Deputy General Director and other equivalent positions according to internal regulations of Sacombank.
8. "Collective Leadership - Personal Responsibility regime" refers to a regime that discussion and voting in order to decide on issues under the authority of BOD shall be performed by members of BOD collectively. BOD's members execute decisions as assigned by BOD. When implementing these decisions, BOD's members are subject to the supervision and inspection of BOD's Chairman as the head of Bank's management body. At the same time, BOD's members shall bear individual responsibilities while performing their assignments in accordance with the Laws.
9. "Bank's Managers" includes Chairman, Vice Chairman, BOD's members, General Director and other managerial positions as stipulated in Sacombank's Charter.
10. "Bank's Executives" includes General Director, Deputy General Director, Chief Accountant, Branch Director and equivalent positions as stipulated in Sacombank's Charter.

Article 3. Management Functions of BOD

1. Setting out orientation, objectives and development policies; build a legal corridor in banking management at Bank.
2. Organizing the apparatus, staffing and developing human resources for the Bank.
3. Running the apparatus to perform the orientations, objectives and development policies of the Bank.
4. Inspect and supervise the compliance with regulations and implementation of guidelines and policies of BOD and the General Meeting of Shareholders.

Article 4. Basic principles of management and administration in the whole of Bank

1. Ensuring the compliance with the Laws, the Bank's Charter and internal regulations.
2. Ensuring the action principle for the highest purpose of protecting and increasing legitimate interests of shareholders and the Bank.
3. Ensuring the publicity and transparency in all activities of BOD and Bank's operation.
4. Ensure the autonomy and self-responsibility of BOD in the organization, management and administration of the Bank's business in line with the General Meeting of Shareholders' orientation.
5. The Bank's management and administration shall be organized and managed in the vertical manner with the highest responsibility and authority of the General Meeting of Shareholders, then BOD, BOD's members and gradually decentralized in order from the Committees/Councils/Boards under BOD to the General Director, Deputy General Directors, Division Directors/Regional Directors, Directors/ Head of Centers/ Professional Departments/ Board of the Headquarter, Branch Directors and Head of Transaction Officers.
6. BOD operates under the regime of collective leadership – personal responsibility. BOD holds meetings to discuss and decide all matters based on votes of the majority of more than half of

meeting attendants. BOD's members shall abide by the joint decisions and at the same time may reserve their opinion by requiring the recorder to record his or her reserved opinion into the meeting minutes.

7. BOD's Chairman is responsible for administering the Bank's managerial body, convening and presiding BOD's meetings, at the same time acting on behalf of BOD and the Bank to decide on matters under BOD's authority as assigned, and reporting to BOD for their understanding or giving opinions in the nearest meeting.
8. The General Director, the Deputy General Directors, Division Directors of the Bank's professional Divisions and Regional Directors shall be responsible for administering the Bank's day-to-day business as assigned in line with the orientations and directions of the General Meeting of Shareholders and BOD.
9. The Committees, Councils, Boards, General Directors and Deputy General Directors shall be responsible for consulting and advising BOD on matters under BOD's authority and directly deciding and directing the Bank's day-to-day business in accordance with the Bank's Charter and within the scope of their authority.
10. Ensure the compliance with the principles and regulations on confidentiality of Bank's information. Perform rights and obligations in an honest and prudent manner for the benefits of the Bank and Shareholders.

CHAPTER II

ORGANIZATIONAL STRUCTURE, TASKS AND POWERS OF BOARD OF DIRECTORS

Article 5. BOD's organizational structure

The Bank's BOD is structured as follow:

1. BOD.
2. BOD's Chairman.
3. BOD's Vice Chairmen.
4. BOD's members.
5. Independent BOD's members.
6. Committees/Councils/Boards under BOD.

Article 6. Assisting - advisory bodies of BOD

1. BOD's Office, which is an agency under BOD, functions as an assistant, secretary, adviser and helper to BOD, BOD's Chairman and BOD's members in implementing tasks and powers within its authority. BOD's Office includes: Head of BOD's Office, Deputy Heads of BOD's Office, Secretaries of members of BOD and staff members.
2. Committees/Councils/Boards established by BOD shall act as advisers, helpers or deciders of some specific tasks as assigned. The working regime, responsibilities and powers of the Committees/Councils/Boards are governed by the laws and the Bank.

Article 7. Tasks and powers of BOD

1. Fully to comply with responsibilities and obligations as prescribed by Laws.
2. Be responsible to the General Meeting of Shareholders for the performance of assigned tasks and powers; to be responsible to shareholders for the result of the Bank's business.
3. To submit the General Meeting of Shareholders for decision and/ or approval of issues under the General Meeting of Shareholders' authority in accordance with the Law on Credit Institutions and the Bank's Charter.
4. To decide on the establishment of branches, representative offices and non-business units after obtaining the State Bank's approval.
5. To appoint, relieve from duty, dismiss, discipline, suspend and decide on salaries and other benefits of the General Director, Deputy General Directors, Chief Accountant, Secretaries of BOD, and other titles according to the internal regulations of BOD.
6. To approve the plan for capital contribution and shares purchase from other enterprises or credit institutions which account for less than 20% of Sacombank's Charter capital, as stated in the latest audited financial statements.
7. To appoint a contributed capital or purchased shares representative of Sacombank at other enterprises or credit institutions.
8. To decide on Sacombank's investments, purchases and sales of Sacombank's assets which account for 10% or more of Sacombank's Charter capital as stated in the latest audited financial statements, except for investments and sales of Sacombank's assets specified in Point o, Clause 2, Article 27 of Sacombank's Charter.
9. To decide on credit granting in accordance with clause 7 Article 128 of the Law on credit institutions, except for transactions under the decision-making authority of the General Meeting of Shareholders as stipulated in point p Clause 2 Article 27 of Sacombank's Charter.
10. To approve contracts between Sacombank and its Associated Companies or Subsidiary Companies; between Sacombank and its BOD's members, Board of Supervisors' members, General Director, Major Shareholders and their Affiliated Persons, which account for 20% or less of Sacombank's Charter capital as stated in the latest audited financial statements. In this case, the affiliated members shall not have the right to vote.
11. To inspect, supervise and direct the General Director to perform his/her assignments; to make annual evaluation of the General Director's work effectiveness.
12. To issue internal regulations related to the organization, management and operation of Sacombank in accordance with the Charter of Sacombank and relevant Laws, except for issues under the authority of the Board of Supervisors or the General Meeting of Shareholders.
13. To decide on the risk management policies and to supervise the risk prevention measures of Sacombank.
14. To consider and approve annual reports.

15. To select a professional assessment institutions for valuation of assets contributed as capital other than Vietnamese currency, freely convertible foreign currencies and gold in accordance with the Laws.
16. To propose for the Governor of the State Bank's approval on issues as provided for by Laws.
17. To decide on offering new shares within the limit of shares eligible for offering that has been approved by the General Meeting of Shareholders.
18. To decide the offer price of shares and convertible bonds of Sacombank.
19. To decide on redemption of shares of Sacombank.
20. To suggest plans for distribution of profits and dividends to be paid; to determine the time and procedures for dividend payment or deal with losses incurred in the business period upon approval by the General Meeting of Shareholders.
21. To prepare relevant instruments and documents to submit for decision of the General Meeting of Shareholders on issues under the authority of the General Meeting of Shareholders, except for the contents under the tasks and powers of the Board of Supervisors.
22. To approve the agenda and activity plan of BOD, agenda, contents and documents for the meetings of General Meeting of Shareholders; To convene a General Meeting of Shareholders or collect shareholders' opinion in writing, so as to adopt resolutions and decisions of the General Meeting of Shareholders.
23. To organize, inspect and supervise the implementation of resolutions and decisions of the General Meeting of Shareholders and BOD.
24. Promptly to notify State Bank the information that negatively affects the membership of BOD, Board of Supervisors and the General Director.
25. Be responsible to ensure that Sacombank's operations are in compliance with the Laws, the Charter and Sacombank's internal regulations; to treat all shareholders equally and respect the interests of person who have the benefits related to Sacombank.
26. To report the performance of BOD at the General Meeting of Shareholders as required by Laws.
27. To perform other tasks and powers as stipulated in the Charter and the Laws.

Article 8. Tasks and powers of BOD's Chairman

BOD's Chairman, who heads the Bank management body, takes the supreme responsibility to BOD, General Meeting of Shareholders and the Laws for organizing banking management and administration in accordance with the Bank's Charter and relevant Laws. BOD's Chairman has the following tasks and powers:

1. To prepare the agenda and activity plan of BOD.
2. To prepare the agenda, contents and documents for meetings; to convene and chair BOD's meetings.
3. To organize the adoption of decisions of BOD.
4. To monitor the implementation of BOD's decisions.
5. To preside the meetings of General Meetings of Shareholders.

6. To ensure that BOD's members receive the complete, objective and accurate information and have sufficient time to discuss issues that must be considered by BOD.
7. To assign tasks to BOD's members. Specific assignments for members must be in writing and signed by BOD's Chairman.
8. To supervise BOD's members in the performance of their assigned tasks, general rights and obligations.
9. At least once a year, to evaluate the work effectiveness of each member, Committees of BOD and to report such evaluation result to the General Meeting of Shareholders.
10. To sign work-handling documents under the tasks and powers of BOD as stipulated in the Charter, this Regulation or other legal documents as prescribed by Laws.
11. To approve and resolve the matters beyond the authority of the Board of Management, after consulting the assisting bodies of BOD, except for issues under the authority of BOD and the General Meeting of Shareholders or those under the authority of Committees and Councils in accordance with the internal regulations issued by BOD.
12. If BOD's Chairman is absent or unable to perform his/her tasks and powers, he/she shall authorize in writing one of the Vice Chairmen to exercise the tasks and powers of BOD's Chairman. In case no person is authorized, the remaining members shall, following the principle of majority of voting, elect one of them as a temporary BOD's Chairman.
13. To exercise other tasks and powers as stipulated in the Charter, this Regulation, and Laws.

Article 9. Tasks and powers of the Vice Chairman of BOD

In addition to the rights and obligations of a member of the BOD, the Vice Chairman of BOD has the following rights and obligations:

1. To be assigned by the BOD to be in charge of one or some areas of the BOD's operation, to be authorized to decide and sign a number of documents related to areas in charge.
2. To substitute the Chairman of BOD to convene and preside the BOD's meetings, to administer the BOD's activities and to perform Sacombank administration function when the Chairman is absent.
3. Where there are two Vice Chairmen or more, the Standing Vice Chairman shall be on behalf of the BOD's Chairman to monitor and supervise the executive apparatus in day-to-day business in case the Chairman is absent.

Article 10. Tasks and powers of the BOD's members

1. Members of the BOD are fully entitled with rights stipulated by applicable Laws and Sacombank's Charter, especially the right to be provided with information and documents on the financial status and business performance of Sacombank and any departments of Sacombank.
2. To exercise the rights and obligations of the BOD's members in accordance with the regulations and decisions of the BOD, this Regulation, the provisions of Laws and assignment of the BOD's Chairman in an honest manner for the benefits of Sacombank and Shareholders.

3. To review the financial statements prepared by the independent auditor, to give comments or request the Bank's Executives, the Independent Auditor and the Internal Auditor to explain any matters related to such financial statements.
4. To request the BOD's Chairman to convene an extraordinary BOD's meeting.
5. To request for convening an extraordinary General Meeting of Shareholders in accordance with the provisions of Sacombank's Charter.
6. To elect, relieve from duty and dismiss the BOD's Chairman in accordance with Sacombank's Charter.
7. Together with other members of BOD, to administer Sacombank in accordance with the Laws and Sacombank's Charter.
8. To attend the BOD's meetings, to discuss and vote on matters within the BOD's scope of tasks and powers as stipulated in Sacombank's Charter, except for cases when the member is not allowed to vote because of interest conflicts. To be responsible to the General Meeting of Shareholders and the BOD for their decisions.
9. To implement the resolutions and decisions of the General Meeting of Shareholders and the BOD.
10. To explain to the General Meeting of Shareholders and the BOD about their performance of assigned tasks if requested.
11. To disclose to Sacombank any remunerations received from the Subsidiary Companies, Associated Companies and other Organizations in which they represents Sacombank's contributed capital or purchased shares.
12. To report to the State Security Commission of Vietnam and disclose information when the member of BOD and other related persons trade Sacombank's shares in accordance with the Laws.
13. To perform their obligations honestly and prudently for the ultimate interests of Shareholders and Sacombank.
14. Sacombank may buy liability insurance for the BOD's members upon approval of the General Meeting of Shareholders. This insurance does not cover liabilities relating to any breach of Laws and Sacombank's Charter.
15. To be entitled with other rights and obligations as stipulated in Charter, this Regulation and Laws.

Article 11. Secretary of the BOD

1. As it is deemed necessary, the BOD's Chairman shall employ and appoint a Secretary who assists the BOD and the BOD's Chairman to fulfill obligations under his/her authority in accordance with Laws and this Regulation.
2. The Secretary of BOD has the following rights and obligations:
 - a) To assist convening General Meetings of Shareholders and the BOD's meetings; to record meeting minutes;
 - b) To assist members of BOD in exercising their assigned rights and obligations;
 - c) To support the BOD in applying and implementing Sacombank's management principles;

- d) To support the BOD in building shareholder relations and protecting the legitimate rights and interests of shareholders;
- e) To support the BOD in complying with the obligations regarding information provision and publication and administrative procedures;
- f) To be entitled with other rights and obligations as prescribed by Laws.

CHAPTER III

WORKING REGIME, REMUNERATION AND MEETINGS OF THE BOARD OF DIRECTORS

Article 12. Working regime

The Chairman, Vice Chairmen and members of BOD shall work under the following regimes decided by the BOD's Chairman:

- 1. Standing.
- 2. Half-standing.
- 3. In-charge (responsible for monitoring, directing and supervising the performance of each Committee/Council, each area of operation, region or each Subsidiary/ Subsidiary bank of Sacombank).

Article 13. Remuneration and operating budget for the BOD's members

- 1. Remuneration and operating expenses of the Chairman, Vice Chairmen and members of BOD are determined by the BOD, based on the working regime (standing, half-standing or in-charge) of each member, to the extent of remuneration and operation budget as set annually by the General Meeting of Shareholders.
- 2. Remuneration of the BOD's members is included in the operating expenses of Sacombank in accordance with the Law on corporate income tax and shall be accounted separately in the annual financial statements of Sacombank and reported to the General Meeting of Shareholders at the annual meeting.

Article 14. Meetings of the BOD

- 1. Matters relating to the BOD's meetings are performed as follows:
 - a) The BOD's Chairman shall be elected at the first meeting of the BOD's tenure within seven (7) working days from the end date of the BOM election for such tenure. This meeting is convened and presided by the member with the highest number or rate of vote. In case there are many members with the highest and equal number or rate of vote, members shall follow principle of majority to elect one of them to convene the BOD's meeting.
 - b) The BOD may meet on regular or extraordinary basis. For regular meetings, the Chairman of BOD shall prepare the agenda. The BOD may meet at the head office of Sacombank or other places in Vietnam or abroad as determined by the BOD's Chairman upon unanimous approval of the BOD.

- c) The BOD's regular meetings are convened by the BOD's Chairman at any time if deemed necessary, but at least once a quarter.
 - d) The BOD's Chairman shall convene a BOD's meeting in one of the following circumstances:
 - (i) Upon request of the Board of Supervisors or any independent members.
 - (ii) Upon request of the General Director or at least five other Managers.
 - (iii) Upon request of at least two members of the BOD.
 - (iv) Other circumstances stipulated by the Charter and Laws.

The requests must be in writing, stating clearly the purpose, issues of concern and issues under the BOD's authority.
 - e) The BOD's Chairman or the BOD's meeting convener shall send a notice of meeting no later than 3 working days prior to the meeting date. The meeting notice must specify the time and venue of the meeting, the agenda, issues of concern and the decisions. Attached to the meeting notice shall be documents to be used at the meeting and the vote form. The meeting notice shall be sent by post, fax, email or other means, provided that such notice must be received at the address of each Board of Directors' members as registered at Sacombank.
 - f) The BOD's Chairman or the convener shall send meeting notice and enclosed documents to members of the Board of Supervisors as for the BOD's members. Members of the Board of Supervisors have the right to attend and discuss but not to vote at the BOD's meetings.
2. The BOD's Chairman shall convene a BOD's meeting within 7 working days from the receipt of request as stipulated in clause 1 (d) of this Article. If the Chairman does not convene a BOD's meeting as requested, the Chairman shall be liable for any damages to Sacombank, unless the meeting cannot be convened due to any force majeure. In this case, the person who requested may convene the BOD's meeting.
 3. A BOD's meeting shall be conducted when three-fourth of the total number of BOD's members attends. If the quorum is insufficient to convene the meeting as stated in this Clause, the second meeting shall be convened within 7 days from the proposed date of the first meeting. In this case, the second meeting will be conducted if more than half of the BOD's members attend.
 4. The BOD's members are considered as attending and voting at the meeting in the following cases:
 - a) They directly attend and vote at the meeting.
 - b) They authorize for another one to attend the meeting as prescribed in Clause 5 of this Article.
 - c) They attend and vote via online conferences or other similar forms.
 - d) They send votes to the meeting by mail, fax or email.

In case votes are sent via mail, the votes shall be enclosed in a sealed envelope and delivered to the BOD's Chairman no later than one hour before the meeting starts. Votes could only be opened in the presence of all attendants.
 5. Members shall attend all the BOD's meetings. Members may attend meetings by the way of authorization for another one if agreed by the majority of the BOD's members.

6. The BOD's resolutions will be approved if agreed by the majority of attendants. If the numbers of votes are equal, the last decisions shall belong to the party supported by the opinions of BOD's Chairman.

Article 15. The BOD's meeting minutes

1. Matters related to the BOD's meeting minutes are performed as follow:
 - a) The BOD's meetings shall be noted down in meeting minutes, even recorded, documented and stored electronically. The minutes shall contain the following main contents:
 - (i) Name, address of the head office, number of business registration.
 - (i) Purpose, agenda and content of the meeting.
 - (ii) Time and venue of the meeting.
 - (iii) Full name of each meeting attendant or the authorized person; full names of absent members and their reasons.
 - (iv) Issues discussed and voted at the meeting.
 - (v) Summary of opinions of each meeting attendant by temporal sequence of the meeting.
 - (vi) Voting results which specify the members who agree, disagree or choose on abstentions box.
 - (vii) Decisions that have been passed.
 - (viii) Full name and signature of all attendants or authorized person.

The Chairman and the recorder of the meeting minutes shall be responsible for the truthfulness and accuracy of the BOD's meeting minutes.
 - b) The minutes of the BOD's meetings and documents used at the meeting shall be kept at the head office of Sacombank.
2. If any member directly attending the meeting does not sign the minutes, the reason why missing a sign must be stated clearly in the minutes; if his/her reason is not written, such member's vote on the meeting contents shall be regarded as invalid.
3. Meeting minutes of the BOD's meetings shall be made in Vietnamese and may be made in one foreign language with the same validity. Any discrepancy between two versions of the minutes shall be interpreted by the Vietnamese version.

Article 16. Competence and procedures for asking written opinions of members of BOD

1. The BOD's Chairman shall decide on asking written opinions of members of BOD.
2. The BOD's Secretary shall prepare the opinion inquiry form and necessary documents relating to the issues of concern. The opinion inquiry form and attachments shall be sent by a secured mean to the contact address of each BOD's member.
3. The opinion inquiry form shall contain the following contents:
 - a) Name, address of the head office, number and issue date of the Establishment and Operation License and number of the enterprise;
 - b) Purpose of opinion inquiry;
 - c) Full name and contact address of the BOD's members;

- d) Issues required to ask for opinions;
 - e) Voting options, including: agree, disagree and abstention;
 - f) Deadline for submitting the completed inquiry form to Sacombank;
 - g) Full name and signature of the BOD's Chairman.
4. The completed inquiry form shall be signed by the BOD's member and sent to Sacombank in accordance with Sacombank's regulations.
 5. The BOD's Secretary shall count the votes and prepare vote counting minutes under the supervision of at least one independent member of BOD. The vote counting minutes shall specify the following main contents:
 - a) Name, address of the head office, number and issue date of the Establishment and Operation License and number of the enterprise.
 - b) Purpose and issues required to ask for opinions;
 - c) Total number of votes delivered, total number of votes collected, number of valid votes, and number of invalid votes. The minutes must contain a list of the BOD's members who have participated in voting;
 - d) Total number of agree, disagree votes and abstention on each issue of required;
 - e) Full name and signature of the vote counter and supervisors.
 6. The BOD's Secretary who take part in asking the BOD members' opinion in writing and the vote counting supervisors shall be jointly liable for the truthfulness and accuracy of the vote counting minutes and shall be also jointly liable for any losses arising from any decisions that are passed as a result of untruthful or inaccurate counting of votes.
 7. The vote counting minutes and the resolution and decision of the BOD based on the results of vote counting, shall be sent to the BOD's members within 15 days from the closing date of vote counting.
 8. The answered opinion inquiry form, vote counting minutes, full contents of the approved resolutions and relevant documents attached with the inquiry form shall be kept at the head office of Sacombank.
 9. Decisions that are passed upon asking the BOD member's opinion in writing shall be as valid as those passed at the BOD's meetings.

CHAPTER IV

CONTENT & METHOD OF IMPLEMENTATION

THE MANAGEMENT & ADMINISTRATION FUNCTIONS OF BOARD OF DIRECTORS

Article 17. Tasks of Planning

1. BOD's planning task involves:
 - a) To research and establish viewpoint, to formulate orientations, to set objectives and propose development solutions and policies of the Bank in each period.
 - b) To direct the formulation and approval of annual business and financial plans.
 - c) To initiate strategies and risk management policies on the basis of analyzing the Bank's situation and forecasting on the monetary market.

- d) To identify guidelines for schemes/projects/plans on product development, network expansion, intensive investment, technology refresh, financial capacity reinforcement, human resource boost, etc so as to orientate the implementation of the executive apparatus.
 - e) To issue a system of regulatory documents by concretizing provisions of Laws and regulations of the SBV in order to create a legal framework for regulating all activities of the Bank.
2. Whether via direct or indirect authority, the assigned BOD's member shall be responsible to BOD's Chairman and BOD for the planning task as assigned.
 3. While performing one's planning function, the assigned BOD's member may request BOD's Chairman or the General Director to provide means, materials, resources and sufficient conditions for task fulfillment.

Article 18. Tasks of Organization

1. BOD's organization task includes:
 - a) To research, formulate and improve the structure, mechanism and methodology of Bank management and administration to adapt to the development requirements from time to time.
 - b) To formulate and direct the realization of strategies and policies on human resource development.
 - c) To monitor and manage staffs who are key person or are planned for the titles under the appointment authority of BOD.
2. Assigned BOD's members, according to the Bank's development orientation from time to time, are responsible for setting objectives – developing the plan and proposing measures for directing the implement of apparatus restructure – improving the methodology, procedures and renovating the management method to improve the management level, administration capacity and business efficiency.
3. Assigned BOD's members, pursuant to the Bank's human resources development strategy from time to time, are responsible for monitoring and directing the supplementation, adjustment and step by step finalization of materials for standardizing the staff's knowledge, skills and levels as the basis for monitoring and directing the process of recruitment - training - appointment - evaluation and applying staffing regimes and policies.
4. While performing the organizing task, BOD needs to pay special attention to talent promotion on spirit of publicity and transparency, at the same time listen to the staffs through the primary Trade Union and in all cases BOD shall truly be the core of solidarity and the firm foundation of the Bank's executive apparatus.

Article 19. Tasks of Leadership

BOD's leadership task includes:

1. To thoroughly introduce the Bank's viewpoints, objectives, solutions and development policies from time to time so as to unify the will and action, at the same time to disseminate thoroughly specific regulations and provisions of BOD for wider understanding and compliance.
2. To monitor and direct the implementation of the Bank's development strategy and business plan every financial year.
3. To directly run investment for development and risk management at the Bank.

Article 20. Tasks of Inspection and supervision

1. BOD's inspection and supervision tasks include:
 - a) To inspect and supervise the compliance with Laws, regulations and implementation BOD's resolutions, development objectives and annual business plans of the executive apparatuses at all levels.
 - b) To inspect and supervise all aspects of operation to ensure the fast and sustainable development and long-term stability of the Bank.
 - c) To inspect, supervise and promptly correct errors and violations, and promote the positive factors in business - management - administration.
2. BOD's members are responsible for inspection and supervision within their scope of assignment. Moreover, based on available documents, reports and information, BOD's members may exercise the right and task to inspect and supervise by discussing with and questioning BOD's members and Board of Management's members at BOD's meetings.
3. The Committees, Councils and Boards established by BOD are subject to the inspection and supervision of BOD at the same time with their assigned inspection and supervision tasks.

Article 21. Management of Shareholders, stocks, shares, dividends and charter capital

Through the advisory role of the Equity Management Division under BOD's Office, BOD carries out monitoring the management of shareholders - stocks - shares – charter capital of the Bank in accordance with the Laws and Bank's Charter.

Article 22. Management of investment capital

1. To the extent provided by the State Bank and Laws and through the advisory role of the Credit - Financial Investment Committee, BOD shall prudently decide on the use of equity in investment (distributing capital or purchasing shares and other forms as prescribed by Laws) and at the same time strictly manage such the investment capital by appointing a representative of the distributed capital and/or purchased shares, as well as assessing the periodic/unscheduled analysis, assessment reports and suggestions/recommendations of the Investment Department.
2. At any given time, upon consideration of proposals of the Credit - Financial Investment Committee or recommendations of BOD's members or Board of Management, BOD may decide on solutions to regulate the investment capital in a safe and effective manner.

Article 23. Risk management and management of capital adequacy indicators

1. BOD, through the Risk Management Committee, directs and monitors the deployment and implementation of risk management policies with the strategies is attempt to control and manage related risks and enhance the safety and efficiency for Sacombank's operations.
2. Based on the analysis and assessment reports of the General Director and Chief Accountant at the end of every accounting period (on monthly, quarterly and yearly basis), BOD monitors and directs the usage of capital and restructures the capital structure so as to ensure the adequacy ratio as regulated by the State Bank and to gradually meet international accounting standards.

**CHAPTER V
COMMITTEES UNDER BOARD OF DIRECTORS**

Article 24. Establishment of Committees under BOD

1. BOD establishes specialized Committees under it, which are the most responsible in advising BOD to make decisions in business operations as well as risk management at the Bank. They assist BOD in exercising tasks and rights on basis of hierarchy and decentralization, so as to comprehensively manage the Bank operations, ensuring the compliance and effective implementation of the orientation, strategy and direction of BOD and General Meeting of Shareholders
2. Committees under BOD include:
 - a) Strategy Committee;
 - b) Foreign Relations Committee;
 - c) Credit and Financial Investment Committee;
 - d) Prevention of Corruption, Crime and Money Laundering Committee;
 - e) Risk Management Committee;
 - f) Human Resources Committee;
 - g) Banking Technology Committee;
 - h) Cost Management Committee;
 - i) Steering Committee for Post-Merging restructure of Sacombank;
 - j) Committee for Prevention and Settlement of Overdue Debt and Implementation of Resolution 42.
 - k) Banking - Insurance Cooperation Committee.
 - l) Audit Committee.
 - m) Steering Committee for Basel II Project implementation.
3. Based on the operation status of the Bank and its management needs, BOD may change the name, establish or terminate the operation of Committees. The establishment or termination of Committees shall be in conformity to the Charter and the Law and be recognized by BOD's decision/resolution.

Article 25. Structure of the Committees

1. Each Committee typically involves three memberships: BOD's members, one of who shall be the Chairman of Committee; Board of Management's members; and representatives of relevant professional Centers/Departments/Boards.
2. The Risk Management Committee must have at least one member being an independent member of BOD. The Head of Risk Management Committee shall not concurrently be a chairman of the Human Resources Committee.
3. Depending on the actual needs, BOD could establish one or more Councils under BOD to undertake specific tasks within the functions of the Committees.

Article 26. Requirements for Chairmen of Committees and members.

1. Having professional ethics.
2. Being trained in the area that one's Committee is in charge or working for the professional units whose functions are compatible with the functions of Committee.
3. Members and Secretary of a Committee shall not be Affiliated Persons of the Chairman of Committee.

4. In addition to above-mentioned standards, BOD has the right to stipulate other more rigid standards which are governed by Sacombank's internal regulations.

Article 27. Principles for organization of Committees' operation

1. Each Committee shall operate according to its own organization and operation regulations issued by BOD. Their regulations shall contain at least the following: functions, tasks and working regime of the Committee;
2. Specialized Committees are advisory bodies assisting BOD in coordinating with and supporting the Board of Management to effectively deploy and implement BOD's orientations, guidelines and resolutions. The operational mechanism of Committees shall ensure the separation between BOD's management functions and the organization and administration of the Board of Management.
3. According to the vertical management hierarchy, BOD decides on setting up Councils/Boards in specialized operational units so as to decentralize the management and solve problems at the Board of Management and Regional levels.

Article 28. Functions of Committees

Committees established by BOD have the following main functions:

1. Advising BOD on formulating and promulgating policies and regulations for the fulfillment of BOD's management tasks set out in this Regulation.
2. On behalf of BOD, monitoring and supervising the implementation of guidelines, policies and regulations on matters as assigned.
3. Assisting the Board of Management in developing the action plan, deploying the methods and actions to implement the plan as set out, ensuring the deployment and completion as required in the plan which has been approved by BOD and/ or the General Meeting of Shareholders.
4. Approving and deciding issues as assigned by BOD on the basis of complying with Sacombank's internal regulations, Charter and Laws.
5. Suggesting solutions to improve the efficiency of Sacombank's management and administration.

In addition to the main functions mentioned above, Committees perform other functions as stipulated by BOD, Sacombank's Charter and the Laws.

CHAPTER VI EXECUTIVE APPARATUS

Article 29. Principles for the organizational structure of the Executive Apparatus

1. BOD issues regulations on the organizational structure of the Executive Apparatus ensuring the uniformity of organization, centralization of management and decentralization of administration.
 - a) Uniformity of organization
The organizational structure of each level must ensure a consistency to smoothen the implementation of policies and regimes throughout the whole of Sacombank system.
 - b) Centralization of management

The management of Sacombank operations must ensure centralized control of Sacombank's Head Office with the highest responsibility falling in hand of the General Director, so as to enable a vertical management mechanism over all aspects of Sacombank operations.

c) Decentralization of administration.

General Director runs Sacombank's operations through the mechanism of decentralization, authorization (at the same time re-decentralizing and re-authorizing for specific contents are allowed) to intermediate-level management, in order to ensure the progress and efficiency of management as well as to enhance the autonomy and self-responsibility of each management level.

2. Sacombank's executive apparatus organizational structure shall be regularly reviewed and assessed, so as to update advanced organizational models of world leading financial institutions in a selective and refined manner to adapt to Vietnam context and Sacombank culture.
3. Sacombank's executive apparatus shall target for a perfect on separability of three flows of front office - back office - supervision in the organization and operation diagrams, to ensure business flexibility, timely support and strict supervision.
4. Sacombank's executive apparatus shall be built in accordance with the State Bank of Vietnam's regulations on internal control system. In particular, the compliance function must be specially focused in order to enhance the staff's awareness of risk control thus ensuring safety and effectiveness of Sacombank's operations.
5. The regulations on Sacombank's executive apparatus organizational structure issued by BOD shall clearly define roles and functions of each executive level, in order to avoid function overlapping while distinguishing responsibilities of all executive levels.

Article 30. Roles of the General Director and Board of Management

1. Board of Management is a senior executive apparatus of the Bank. It acts as an advisor in charge of managing and implementing directions of BOD, Committees and BOD's members who are responsible for operational & professional organization and administration of the Bank within the scope of their assignment.
2. Sacombank's executive apparatus works under the regime of head official. In particular, the General Director heads the executive apparatus and takes the highest responsibility to BOD and General Meeting of Shareholders to run the Bank.
3. The General Director shall fulfill tasks within the scope of his/her functions, tasks and powers while complying with the principles of management and administration prescribed herein Regulations and other relevant internal regulations issued by BOD.
4. The Board of Management's members may be appointed by BOD to take part in Committees and carry out such responsibilities and rights provided for in the Regulations on Organization and Operation of respective Committees.

Article 31. Rights and obligations of the General Director

1. To organize the implementation of resolutions and decisions of the General Meeting of Shareholders and BOD.
2. To decide matters under his/her charge and relating to Sacombank's day-to-day business, except for those under BOD and/or the General Meeting of Shareholders' authority as prescribed by this Regulations, the Charter and the Laws. To organize the implementation of business and investment plan of Sacombank.
3. To set up the internal control system and maintain its effective operation.
4. To make and submit financial statements to the BOD 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.
5. To recommend the organizational structure plan, internal management regulation of Sacombank.
6. To issue, according to his/her competence, internal regulations, professional processes and procedures to operate business administration, information and reporting systems.
7. To report the BOD, Board of Supervisors, General Meeting of Shareholders and competent state agencies on business activity and result of Sacombank.
8. To decide on the application of measures beyond his/her competence in cases of natural disasters, enemy sabotage, fires and incidents; to take responsibility for these decisions and promptly report them to the BOD.
9. To propose, recommend about the organizational and operation structure of Sacombank and submit the BOD or General Meeting of Shareholders for deciding within the scope of competence.
10. To propose the BOD to convene an extraordinary meeting in accordance with the Charter of Sacombank.
11. To be invited to BOD's meetings where he/she may discuss the business activities of Sacombank and give opinions but not voting.
12. To appoint, relieve from duty and dismiss holders of managerial and executive positions of Sacombank, except those to be decided by the General Meeting of Shareholders, BOD.
13. On behalf of Sacombank, to sign contracts under the Charter and internal regulations of Sacombank.
14. To propose plans to use profits and handle losses of Sacombank.
15. To recruit employees; to decide on salaries and bonuses of employees according to his/her competence.
16. To represent Sacombank in international relations, legal proceedings, disputes, dissolution, bankruptcy.
17. The General Director shall take responsibility for the management of Sacombank's daily business activities in accordance with provisions of Laws, the Charter, the Labor contract signed with Sacombank and decisions of the BOD. In case of causing damage to Sacombank due to failing to comply with such regulations, the General Director must take responsibilities as provided by Laws and make compensation to Sacombank.

Article 32. General principles of the roles, organization and operation of operational Divisions at the Head office

1. The operational Division functions as advisor and assistant of BOD, and Committees/Councils under BOD, the General Director and Board of Management in the management and administration of operational activities within their respective domains. The operational Divisions shall work according

to regulations on executive apparatus; functions and duties of operational Divisions are issued by BOD or the authorized persons.

2. The head of each Division is a Division Director which appointed by BOD. General Director may recommend BOD to appoint/assign Board of Management's members to concurrently hold a title of Division Director.
3. The Division Director or Deputy General Director cum Division Director shall bear the highest responsibility to the General Director for developing and administering the implementation of division action plans within his/her assignments.

CHAPTER VII
WORKING RELATIONS BETWEEN BOARD OF DIRECTORS
WITH INTERNAL UNITS OF SACOMBANK

Article 33. Working relations with the Board of Supervisors

1. All BOD's meetings must have the attendance of the Head of Board of Supervisors and/or members of Board of Supervisors. At these meetings, the Board of Supervisors has the right to speak, make recommendations and suggestions to the issues discussed and decided by BOD.
2. BOM shall create conditions, mechanisms and solutions for the Board of Supervisors and Internal Audit to promote the effectiveness of regular and irregular inspection, directly on-spot or remotely.
3. Upon receipt of inspection minutes or summary report of the Board of Supervisors, BOM shall elaborate to direct the Board of Management's coordination in planning the consolidation and correction. BOD should take strict measures to deal with such related units and individuals that are repudiatory, sluggish or refusing to correct faults and remedy violations after the inspection of the Board of Supervisors.

Article 34. Working relations with the Executive Apparatus

1. With a responsibility of a management body of the Bank, BOD is responsible for researching and designing a streamlined organizational structure, staffing managerial positions at all levels in a rational manner and taking scientific measures to direct and supervise, setting up task-specific staff evaluation mechanism on periodic basis and on each field where they work, and at the same time building clear and transparent policy on salary - bonus - training - promotion.
2. BOD could hold weekly discussions or monthly meetings with the Board of Management and/or work with Branches to perform BOD's leadership and supervision functions, while listening to and promptly dealing with suggestions related to the guidelines, mechanisms and policies under its respective authority.
3. BOD shall direct treatments of violations committed by staffs in levels under its executive apparatus in a rigid, timely and justifiable manner, so as to maintain and uphold the discipline and to protect the Bank's deputation to customers and shareholders.
4. By the highest spirit of responsibility, obligations and exemplary, BOD is a leader in compliance with Laws, Charter, internal rules, regulations and all other regulations of the Bank, even in the most difficult situation; as well as BOD and BOD's members must always represent as the core of solidarity, the strongest and most reliable foundation of the executive apparatus.

Article 35. Working relations with the Communist Party

1. BOD shall create favorable conditions for the Communist Party to operate in accordance with the Rules and regulations of the Communist Party of Vietnam and related Laws. BOD and the Communist Party Committee build up a working relationship on basis of cooperation and agreement so that the Communist Party could take part in the Bank construction and development.

2. BOD needs to give financial and time support for the Communist Party Committee and Units under Communist Party Committee having a good conditions to perform, with the best results, the role of the political core which direct Party members and socio-political organizations founded within the Bank, to evolute and propagandize staffs to abide by the guidelines, initiatives and policies of the Communist Party and the State's Laws, and to protect the legitimate rights and interests of the State, Bank and employees.
3. BOD shall always create conditions and opportunities to listen to rational suggestions and recommendations of the Communist Party and its members on the performance of business tasks, employee policies and regimes and to propose cooperative resolution as required by Laws.

Article 36. Working relations with the Trade Union

1. BOD needs to give financial and time support for the Executive Board at grassroots and section level to operate in accordance with the Charter of Vietnam Trade Union, Trade Unions Law and Enterprise Law so that the Trade Union has a good conditions to fulfill, with the best results, its functions of polictical organization on education - gathering - leadership to Trade Union members who are employees in the Bank.
2. BOD should set out a mechanism to enable the representation of the grassroots and section Trade Union Executive Board taking part in annual Reward Councils at all levels. At the same time, it should build a mechanism for the grassroots Trade Union Executive Board to supervise the use of welfare and reward funds allocated from the Bank's annual profit.
3. BOD also needs to create conditions and opportunities for voice of the grassroots Trade Union Executive Board representing the justifiable expectations of the mass of Trade Unions and Bank staff of the collective bargaining agreement, labor contracts, employee policies and regimes to be heard; and to propose cooperative resolution as required by Laws.

Article 37. Relations with shareholders

1. BOD and BOD's members need to establish, maintain and uphold a standing relationship with the Bank's Shareholders by publishing periodic financial reports in accordance with the Laws and Bank's regulations, by providing regularly available information and especially by ensuring the annual performance of the Bank.
2. BOD should ensure the transparency in the management and administration of all Bank operations. It shall play as the exemplary obligation performer in accordance with the Bank's Charter and always show respect for Shareholders, even the Shareholders holding the least equity.
3. BOD's Chairman and BOD shall timely and transparently handle Shareholders' suggestions, answer clearly and determinedly the questions of Shareholders, and taking part in resolving claims and grievances of Shareholders (if any) is also a way to maintain and uphold a good relationship between BOD and Shareholders.

CHAPTER VIII
WORKING RELATIONS OF BOARD OF DIRECTORS
WITH BANK OUTSIDERS

Article 38. Working relations with the banking regulator

1. BOD and BOD's Chairman shall demonstrate their skills and ability to manage the bank toward a sustainable and stable development while strictly observing the Laws and SBV's regulations, at the same time establishing, maintaining and upholding working relations with central and local banking regulators.
2. BOD shall proactively recommend SBV to alternate and amend such regulations that are no longer suitable for the new context or hindering the development and integration of joint stock commercial banks, rather than arbitrarily realize or offend the regulations. This is a way to prove BOD's high compliance with banking regulators.

Article 39. Working relations with local State management agencies and law-enforcement agencies

1. To comply with the Laws and local regulations, and to actively join in infrastructure investment, socio-economic development, habitat improvement and other local stimulus projects are the best way to establish, maintain, and develop a permanent sustainable working relation with the local community where the Bank's Headquarter or branches are located.
2. To ensure that the Bank operates in a stable, safe and efficient manner while relations between the Bank and customers who are local organizations and residents develop well. BOD should also voluntarily fulfill the tax obligation and actively participate in local social welfare projects. At the same time, BOD shall take actions to prevent any claim and grievance due to internal disunity. Those above-mentioned are the ways to consolidate and enhance the working relations between the Bank's management and local agencies, departments and collectives.

Article 40. Working relations with the mass media

1. BOM determines BOD's Chairman or BOD's Vice Chairman, who is authorized by the Chairman, and the General Director or Deputy General Director, who is authorized by the General Director, to be the Official Bank Spokesperson, who is obliged and empowered to provide the mass media with necessary information to the extent allowed, in order to orientate customers' perception, ensure social security and system safety and thereby promote widely the Bank's brand name.
2. The General Director shall bear the highest responsibility to BOD for the advertising materials in the press and broadcast on the radio and televisions that are related to the promotion of the Bank's brand name, products and services to the extent required by the State Laws and for the sustainable and transparent development of the Bank.

Article 41. Working relations with foreign organizations and individuals

1. To be faithful to the interests of the Bank and the State, the Bank shall be utmost prudent in all relations with foreign organizations and individuals. Establishment relations on these cases shall be decided and authorized by BOD's Chairman or General Director of the Bank.

2. Purposes and contents of economics - finance, science - technology or research - training under the working relations between the Bank and foreign organizations and individuals shall be clearly defined and reported to BOD's Chairman or a direct leader of BOD.

CHAPTER IX IMPLEMENTATION PROVISIONS

Article 42. Violation and handling of violations against the Regulation

1. BOD, BOD's members and related organizations and individuals within Sacombank system are responsible for complying with this Regulation.
2. Any organization or individual who violates this Regulation shall be treated in accordance with the Laws.

Article 43. Validity and authority to amend and supplement the Regulation

1. This Regulation takes effect from the date when it is passed by the General Meeting of Shareholders.
2. Any amendment and supplementation of this Regulation must be considered and decided by the General Meeting of Shareholders.
3. Term of application:
 - a) Any discrepancy between this Regulation and the Bank's Charter shall be interpreted preferentially by the Bank's Charter;
 - b) In case contents related to management and administration are not prescribed in this Regulation, the Bank's internal rules and Charter shall apply.
 - c) In case some provisions of Laws relating to Sacombank's operation are not mentioned in this Regulation and/or should there be new legal provisions other than those provided herein, such legal provisions will naturally apply and govern Sacombank's operation.

**FOR AND ON BE HALF OF
GENERAL MEETING OF SHAREHOLDERS
CHAIRMAN OF BOARD OF DIRECTORS**

DUONG CONG MINH