

ARTICLES OF ASSOCIATION
OF
CHINA EVERBRIGHT BANK COMPANY LIMITED

(AMENDED IN 2014)¹

CHAPTER 1 GENERAL PROVISIONS

Article 1 In order to protect the lawful interests of China Everbright Bank Company Limited (hereinafter referred to as the “Bank”), its shareholders and creditors, and to regulate the organization and activities of the Bank, the Articles of Association (hereinafter referred to as the “Articles”) are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to a “Securities Law”), Commercial Banking Law of the People’s Republic of China (hereinafter referred to as “Commercial Banking Law”), Special Provisions on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies issued by the State Council (hereinafter referred to as “Special Provisions”), Mandatory Provisions for Articles of Association of Companies Listing Overseas (hereinafter referred to as “Mandatory Provisions”), the Guidelines on Articles of Association of Listed Companies (hereinafter referred to as “Guidelines on Articles”) and other relevant laws, regulations, rules and regulatory documents.

Article 2 The Bank was previously a national commercial bank established on 18 June 1992 upon approval of the People’s Bank of China (Yin Fu [1992] No. 152). Following the approval of the People’s Bank of China (Yin Fu [1995] No. 70), the Bank was restructured as a joint stock commercial bank on 6 July 1999. The Bank was registered at the State Administration of Industry and Commerce and obtained a business license. The business license number of the Bank is 100000000011748.

There were 131 promoters (including China Everbright (Group) Corporation) of the Bank when the Bank was restructured as a joint stock limited company.

The Bank first issued 7,000,000,000 ordinary shares dominated in RMB to the public on 29 July 2010 upon approval of China Securities Regulatory Commission (Zheng Jian Xu Ke [2010] No. 1019) and was listed on the Shanghai Stock Exchange on 18 August 2010.

Article 3 Registered name of the Bank: 中國光大銀行股份有限公司
Abbreviation: 中國光大銀行
English name of the Bank: China Everbright Bank Company Limited
English abbreviation: CEB

¹ The amended Articles of Association was approved at the 2013 Annual General Meeting of the Bank held on 27 June 2014 and took effect from 10 September 2014 when the approval by CBRC was granted.

Article 4 Domicile of the Bank: No. China Everbright Center No. 25 and 25A Taipingqiao Avenue, Xicheng District, Beijing, the People's Republic of China, Postcode: 100033.

Tel: 86-10-63636363

Fax: 86-10-63639066

Article 5 The Bank is a perpetually existing joint stock limited company.

Article 6 The chairman of the Board of Directors is the legal representative of the Bank.

Article 7 Upon the approval by the resolution of shareholders' general meeting of the Bank, the Articles shall come into force on the date on which China Banking Regulatory Commission (hereinafter referred to as "CBRC") approves the Articles.

From the date the Articles became effective, the Articles shall become a legally binding document, regulating the organization and acts of the Bank, and the rights and obligations between the Bank and its shareholder, and among the shareholders.

Article 8 The Articles shall be binding on the Bank and the shareholders, directors, supervisors, president and other senior management personnel of the Bank. The persons referred to above can enforce their rights on matters relating to the Bank in accordance with the Articles.

The shareholders may initiate legal proceedings against the Bank in accordance with the Articles. The Bank may initiate legal proceedings against the shareholders, directors, supervisors, president and other senior management personnel in accordance with the Articles. The shareholders may initiate legal proceedings against other shareholders of the Bank in accordance with the Articles. The shareholders may initiate legal proceedings against directors, supervisors, president and senior management personnel of the Bank in accordance with the Articles.

For the purposes of the above paragraph, initiating legal proceedings referred to above shall include the initiation of legal proceedings at a court or the application of arbitration to an arbitration organization.

Article 9 The entire capital of the Bank is divided into shares of equal par value. The shareholders' liability shall be limited to the extent of their respective shareholdings. The Bank shall assume liability for all the liabilities of the Bank to the extent of all its assets.

Article 10 In light of the need for business development and subject to the approval of CBRC, the Bank may set up, change or dissolve the entities, including but not limited to branches (branch companies), bank subsidiaries (subsidiary companies) and representative offices, within or outside the PRC according to the laws, regulations, rules, regulatory documents and the Articles. Except for bank subsidiaries (subsidiary companies), the above entities shall not have the status of independent legal person, shall legally conduct business within the scope authorized by the Bank and shall accept the management by the Bank.

Article 11 The Bank may invest in legal entities such as other limited liability companies and joint stock companies in accordance with law and shall assume liability for such legal entities in which the Bank has invested to the extent of its capital contribution or subscribed shares.

Article 12 The senior management personnel referred to in the Articles shall mean president, executive vice president, secretary of the Board of Directors, person in charge of finance, president assistants and other personnel confirmed by CBRC.

CHAPTER 2 OBJECTIVES AND SCOPE OF BUSINESS

Article 13 The objectives of the Bank are to operate stably, adhere to principle of credibility, provide scientific management, provide high-level service, conduct various commercial banking services in accordance with law, persist in sustainable development, create maximum value for the shareholders and the stakeholders, and make contribution for development of national economy. With the operation principles of safety, liquidity and efficiency, the Bank has independent operation, assume its own risks, take full responsibility for its own profits and losses, and insist on self-discipline.

Article 14 Upon approval by CBRC and the State Administration of Industry and Commerce, the business scope of the Bank is:

- (I) receiving deposits of the public;
- (II) granting short-term, medium-term and long-term loans;
- (III) handling domestic and foreign settlement;
- (IV) handling acceptance and discounting of bills;
- (V) issuing financial bonds;
- (VI) acting as agents in issuance and payment and underwriting government bonds;
- (VII) buying and selling government bonds and financial bonds;
- (VIII) undertaking interbank borrowings and lending;
- (IX) buying and selling and acting as agents for buying and selling foreign exchange;
- (X) undertaking the business of bank cards;
- (XI) providing letters of credit services and guarantees;
- (XII) acting as agent in the collection and payment and insurance business;
- (XIII) providing safe deposit box services;
- (XIV) other businesses as approved by CBRC.

CHAPTER 3 SHARES AND REGISTERED CAPITAL

SECTION 1 ISSUANCE OF SHARES

Article 15 The Bank shall have ordinary shares. According to necessity, it may have other kinds of shares upon approval by the authorities that are authorized by the State Council.

Article 16 All the shares issued by the Bank shall have a par value and each share shall bear a par value of RMB1.

Article 17 Subject to verification and approval by CBRC, the securities regulatory authority of the State Council or other relevant regulatory authorities, the Bank may issue shares to domestic investors and overseas investors.

Overseas investors referred to in the preceding paragraph shall mean investors in foreign countries, Hong Kong, Macau and Taiwan who subscribe for shares issued by the Bank; domestic investors shall mean investors within the People's Republic of China other than the places referred to above who subscribe for shares issued by the Bank.

Article 18 The shares issued by the Bank to domestic investors and subscribed for in Renminbi are known as domestic shares. The shares issued by the Bank to overseas investors and subscribed for in foreign currencies are known as foreign shares. Foreign shares which are listed outside the PRC shall be known as overseas listed foreign shares.

Article 19 Upon approval by the approval departments authorized by the State Council, the total number of ordinary shares that the Bank may issue is 46,679,095,000 and the number of shares issued when the Bank was restructured as a joint stock limited company was 2,800,000,000 shares, representing approximately 6% of the total number of ordinary shares that the Bank may issue.

Article 20 After the Bank was restructured as a joint stock limited company and up to completion of the initial public offering of its overseas listed foreign shares, the Bank issued 46,679,095,000 ordinary shares in total, including 6,868,735,500 overseas listed foreign shares, representing approximately 14.71% of the total number of shares that the Bank may issue; as well as 39,810,359,500 domestic listed shares which were issued to the domestic public.

As at 15 January 2014, the shareholding structure of the Bank was 46,679,095,000 ordinary shares, among which, the shareholders of domestic listed shares held 39,810,359,500 shares and the shareholders of overseas listed foreign shares held 6,868,735,500 shares.

Article 21 Subject to approval of the Bank's plan to issue overseas listed foreign shares and domestic shares by the securities regulatory authority of the State Council, the Board of Directors of the Bank may implement arrangement regarding the issuance of the shares respectively.

The Bank may separately implement its plan to issue overseas listed foreign shares and domestic shares pursuant to the preceding paragraph within 15 months from the date of approval by the securities regulatory authority of the State Council.

Article 22 In the event that there are overseas listed foreign shares and domestic shares included in the total number of shares stated in the issuance plan, such shares shall be fully subscribed for at one time at their respective offerings. Should the shares cannot be fully subscribed at one time due to special circumstances, such shares may be issued in separate tranches upon approval by the securities regulatory authority of the State Council.

Article 23 Issuance of the shares of the Bank shall adopt the principles of openness, fairness and impartiality. Each share of the same class shall have the equal rights.

As regards the shares of the same class issued at the same time, the issuing conditions and price of each share shall be the same. As regards the shares subscribed by any unit or individual, the amount paid for each share shall be the same.

Article 24 The registered capital of the Bank shall be RMB46,679,095,000.

SECTION 2 INCREASE AND REDUCTION OF SHARES AND THEIR REPURCHASE

Article 25 The Bank may, depending on the operating and development requirements, adopt the following methods to increase its registered capital pursuant to laws, regulations, rules and regulatory documents and subject to the resolutions made at the shareholders' general meeting respectively:

- (I) public offering of shares;
- (II) non-public offering of shares;
- (III) placing shares to the existing shareholders;
- (IV) distributing bonus shares to the existing shareholders;
- (V) transferring share capital with reserve funds;
- (VI) other methods required by laws and regulations and approved by national relevant competent authorities.

After being approved according to the Articles of Association of the Bank, the Bank's increase of capital by issuing new shares shall be conducted in accordance with the procedures set forth in the relevant laws, regulations, rules and regulatory documents of the State.

Article 26 The Bank may reduce its registered capital in accordance with the provisions of the Articles.

The Bank must prepare a balance sheet and a list of properties when it is to reduce its registered capital.

The Bank shall notify its creditors within ten days of adopting the resolution to reduce its registered capital and shall publish an announcement of the resolution in newspaper at least three times within thirty days. Creditors shall, within thirty days of receiving a written notice or within ninety days since the date of the first public announcement for those who have not received a written notice, be entitled to require the Bank to repay its debts in full or to provide a corresponding guarantee for repayment.

The registered capital of the Bank after reduction shall not be less than the statutory minimum.

Article 27 After being approved under the procedures stipulated by the Articles and obtaining approvals from relevant competent authorities of the State, the Bank may repurchase its outstanding shares in the following circumstances:

- (I) canceling shares for the purpose of reducing capital of the Bank;
- (II) merging with other companies holding shares of the Bank;
- (III) giving the shares to staffs of the Bank as reward;
- (IV) being requested to repurchase the shares held by the shareholders who object to the resolutions adopted at the shareholders' general meeting concerning merger and division of the Bank;
- (V) other circumstances permitted by laws, regulations, rules and regulatory documents.

Any repurchase of the Bank's shares as a result of items (I) to (III) referred to above shall be resolved at a shareholders' general meeting. After the Bank has repurchased its shares according to the above provision, in the event of item (I), the same shall be cancelled within ten days from the date of repurchase; in the event of items (II) and (IV), the same shall be transferred or cancelled within six months.

The shares of the Bank repurchased pursuant to item (III) of the first paragraph above shall not exceed five percent of the total number of shares issued by the Bank; funds used for the repurchase shall be paid from the after-tax profits of the Bank; the repurchased shares shall be transferred to the staff within one year.

Article 28 The Bank may, upon approval by relevant competent authorities of the State, repurchase shares using one of the following methods:

- (I) by making a general offer to all of its shareholders for the repurchase of shares on a pro rata basis;
- (II) by repurchasing shares through open dealings on a stock exchange;
- (III) by repurchasing shares by an off-market agreement;
- (IV) other methods approved by laws, regulations, rules and regulatory documents as well as the relevant competent authorities.

Article 29 The Bank shall obtain prior approval from the shareholders at a shareholders' general meeting (in the manner defined in the Articles) prior to its repurchase of shares by an off-market agreement. The Bank may, by obtaining the prior approval of the shareholders at a shareholders' general meeting (in the same manner as set forth above), discharge or amend the above agreements or waive any of its rights thereunder.

Agreements for the repurchase of shares referred to in the preceding paragraph shall include (but not limited to) an agreement to undertake the obligation to repurchase shares and acquire the right of repurchasing shares.

The Bank shall not transfer an agreement on the repurchase of its shares or any rights thereunder.

As for the fact that the Bank has the right to repurchase redeemable shares, if the repurchase is made not through market or by a way of tender, the price must be limited to a certain highest price; if the repurchase is made by a way of tender, it must propose a tender to all shareholders with the same conditions.

Article 30 The Bank shall apply for the registration of registered capital change to the Administration for Industry and Commerce when the Bank repurchases its shares and cancels such shares.

The amount of the Bank's registered capital shall be reduced by the total par value of the shares cancelled.

Article 31 Other than complying with the relevant requirements of Article 27 hereof, the Bank shall comply with the following requirements with respect to the repurchase of its outstanding shares unless the Bank is undergoing liquidation process:

- (I) for repurchases of shares by the Bank at their par value, payment shall be deducted from the book balance of its distributable profits or from the proceeds from the new shares issuance for purpose of repurchasing the original shares;
- (II) for repurchases of shares by the Bank at a price higher than the par value, the portion corresponding to the par value shall be deducted from the book balance of its distributable profits and the proceeds from the new shares issuance for purpose of repurchasing the original shares. The portion higher than the par value shall be handled in accordance with the following methods:
 - 1. if the shares being repurchased are issued at par value, payment shall be deducted from the book balance its distributable profits;
 - 2. if the shares being repurchased are issued at a price higher than the par value, the portion corresponding to the par value shall be deducted from the book balance of the distributable profits of the Bank and the proceeds from the new shares issuance for purpose of repurchasing the original shares. However, the amount deducted from the proceeds from the new shares issuance shall neither exceed the total premium of the original shares issuance, nor exceed the amount of the Bank's capital reserve account (including the premium from the new shares issuance) at the repurchase;

- (III) The Bank shall make the payment from the Bank's distributable profits for the following purposes:
1. obtaining rights to repurchase its own shares;
 2. the variation of any agreement for the repurchase of its shares;
 3. release from its obligations under any purchase agreement;
- (IV) After the aggregate par value of the cancelled shares is deducted from the Bank's registered capital according to relevant provisions, the amount deducted from the distributable profits for payment of par value of the shares shall be credited to the Bank's capital reserve account.

SECTION 3 SHARE TRANSFER AND PLEDGE

Article 32 Unless otherwise specified by laws, regulations, rules, regulatory documents and relevant requirements of securities regulatory authorities of the jurisdiction where shares of the Bank are listed (including the stock exchange on which the Bank is listed, same to the below), the shares of the Bank may be transferred freely without any lien attached, but change of the shareholders who hold more than five percent of the total number of the Bank's shares shall be approved by CBRC. To transfer the overseas listed foreign shares listed in Hong Kong, the transferor shall deal with the registration procedures at the Hong Kong stock registration organization appointed by the Bank.

Article 33 All fully-paid overseas listed foreign shares listed in SEHK may be freely transferred in accordance with the Articles. However, the Board of Directors may refuse to recognize any transfer documents without stating any reason unless the following conditions are met:

- (I) transfer documents and other documents that are related to any share ownership or may affect such share ownership shall be registered and fees and charges regarding registration as specified in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules") shall be paid to the Bank;
- (II) transfer documents only involve the overseas listed foreign shares that are listed in SEHK;
- (III) the stamp duty as required by laws of Hong Kong has been paid for transfer documents;
- (IV) relevant stocks, as well as the evidence reasonably required by the Board of Directors certifying that the transferor has the right to transfer the shares, shall be provided;
- (V) if shares are to be transferred to joint holders, the number of shareholders jointly registered shall not exceed four;
- (VI) relevant shares of the Bank are not attached to any lien.

If the Board of Directors refuses to register the shares transfer, the Bank shall send a notice concerning refusal to register such shares transfer to the transferor and the transferee within two months from the date on which the transfer application is officially filed.

Article 34 For all transfers of the overseas listed foreign shares that are listed in Hong Kong, the written transfer documents in general or ordinary form or in a form accepted by the Board of Directors shall be adopted. The written transfer document may be signed by hand. If the shareholder is the authorized clearing house as defined in the Securities and Futures Ordinance of Hong Kong or its proxy, the written transfer document may be signed in the machine printing form.

Article 35 The Bank shall not accept any pledge with its shares as the objectives.

CHAPTER 4 FINANCIAL AID FOR PURCHASE OF SHARES OF THE BANK

Article 36 The Bank or the bank subsidiaries (subsidiary companies) shall not offer any financial aid at any time by any means to purchasers or prospective purchasers of the Bank's shares. Such purchasers of the Bank's shares as mentioned above shall include those who directly or indirectly assume the obligations due to purchase of the shares of the Bank.

The Bank or the bank subsidiaries (subsidiary companies) shall not offer any financial aid at any time by any means in order to reduce or relieve the obligations of the aforesaid purchasers due to their purchase or intention of purchase of the shares of the Bank.

This clause does not apply to the circumstances as defined in Article 38.

Article 37 The "financial aid" referred to in this chapter shall include but not limited to the following means:

- (I) donation;
- (II) guarantee (including the guarantor's bearing responsibility or offering property to guarantee the obligator's performance of obligations), compensation (but excluding the compensation arising from the Bank's fault), relief or waiver of rights;
- (III) providing loans or entering into an agreement in which the Bank performs its obligations prior to other parties; change of the parties to such loans and agreement as well as transfer of rights in such agreement;
- (IV) financial aid provided by the Bank in any other form when the Bank is insolvent or has no net assets or such financial aid will lead to great decrease of net assets.

The obligations referred to in this chapter shall include the obligations of the obligator by signing an agreement or making an arrangement or changing its financial status in any other ways, regardless of whether or not the aforesaid agreement or arrangement is enforceable, or whether or not such obligations are assumed by the obligator individually or jointly with other persons.

Article 38 The following acts shall not be deemed as the acts forbidden under Article 36:

- (I) where the Bank provides the relevant financial aid in good faith for the benefit of the Bank and the main purpose of the financial aid is not to purchase shares of the Bank, or the financial aid is an incidental part of an overall plan of the Bank;
- (II) lawful distribution of the Bank's property in the form of dividends;
- (III) distribution of dividends in the form of shares;
- (IV) reduction of registered capital, shares repurchases, adjustment of shareholding structure, etc., in accordance with the Articles;
- (V) provision of loans by the Bank within its business scope and in normal business (provided that the provision does not lead to a reduction in the net assets of the Bank or that even if it constitutes a reduction, the financial aid was paid out of the Bank's distributable profits); and
- (VI) provision of fund by the Bank for a staff shareholding scheme (provided that the provision does not lead to a reduction in the net assets of the Bank or that even if it constitutes a reduction, the financial aid was paid out of the Bank's distributable profits).

CHAPTER 5 SHARE CERTIFICATE AND REGISTER OF SHAREHOLDERS

Article 39 The shares of the Bank shall be in registered form. Share certificate shall state the following items:

- (I) the name of the Bank;
- (II) the establishment date of the Bank;
- (III) the class of the share, par value, and the number of shares represented by the certificate;
- (IV) the serial number of the share certificate; and
- (V) other items that should be stated pursuant to the Company Law and regulations of securities regulatory authorities of the jurisdiction where the Bank's shares are listed.

The overseas listed foreign shares issued by the Bank may adopt the foreign depository receipt or other derivative forms of share certificate in accordance with the laws of the jurisdiction of listing and the practices for securities registration and deposit.

Article 40 The share certificate shall be signed by the chairman. Where the signatures of other senior management personnel of the Bank are required by the securities regulatory authorities of the jurisdiction where the Bank's shares are listed, the share certificate shall also be signed by such other senior management personnel. The signature of the chairman or other senior management personnel on the share certificates may also be in printed form.

The share certificate of the Bank shall come into force after the Bank seal is affixed thereto or printed thereon. Affixing the seal of the Bank on the share certificates shall be authorized by the Board of Directors.

Where power is granted to issue share warrants to bearer, no new share warrant shall be issued to replace one that has been lost, unless the Bank is satisfied beyond reasonable doubt that the original has been destroyed.

Stipulations of the securities regulatory authority of the jurisdiction where the Bank's shares are listed shall be applicable in the case where shares of the Bank are issued and transacted in a paperless manner.

Article 41 The names of shareholders of the Bank, as well as the following items, shall be recorded in the register of shareholders:

- (I) the name, address or domicile, occupation or nature of each shareholder;
- (II) the class and number of shares held by each shareholder;
- (III) payment already paid for the shares held by each shareholder;
- (IV) the serial number of share certificate held by each shareholder;
- (V) the date on which each shareholder is registered as a shareholder;
- (VI) the date on which each shareholder ceases to be a shareholder.

Unless proved to the contrary, the register of shareholders is the sufficient proof showing that the shareholder holds the shares of the Bank.

Article 42 The Bank may deposit the register of shareholders of the overseas listed foreign shares abroad and entrust a foreign proxy to manage it in accordance with the understanding and agreement reached between the securities regulatory authority under the State Council and the overseas securities regulatory authorities. The original register of shareholders of the overseas listed foreign shares that are listed in SEHK shall be kept in Hong Kong.

The Bank shall keep a duplicate of the register of shareholders of the overseas listed foreign shares at its domicile. The appointed foreign proxy shall ensure that the original and duplicate of the register of shareholders of the overseas listed foreign shares are consistent at all time.

In case the original and duplicate of the register of shareholders of the overseas listed foreign shares are inconsistent, the original shall prevail.

Article 43 The Bank shall keep a complete register of shareholders.

The register of shareholders shall include the following parts:

- (I) a register of shareholders deposited at the domicile of the Bank other than those as defined in items (II) and (III) of this article;
- (II) the register of shareholders of the overseas listed foreign shares of the Bank kept at the jurisdiction of the overseas stock exchange;
- (III) the register of shareholders kept in such other places as the Board of Directors may decide necessary for listing purposes.

Article 44 Each part of the register of shareholders shall not overlap each other. In case of the transfer of certain registered shares in the register of shareholders, such shares shall not be registered into other parts of the register of shareholders during the period of continued existence of such shares.

Change or correction of each part of the register of shareholders shall be conducted in accordance with laws of the jurisdiction where each part of the register of shareholders is deposited.

Article 45 Registration of change in the register of shareholders due to shares transfer shall not be allowed within thirty days before the shareholders' general meeting is held or within five days prior to the base date on which the Bank decides to distribute dividends.

Other rules stipulated by the securities regulatory authority of jurisdiction where the Bank's shares are listed shall prevail.

Article 46 If the Bank convenes shareholders' general meeting, distributes dividends, conducts liquidation or other activities where the equity interests need to be confirmed, the Board of Directors or the convener of the shareholders' general meeting shall decide the date of record. When the date of record expires, the shareholders in the register shall be the ones who enjoy the relevant interests.

Article 47 Anyone who has dissidence over the register of shareholders and requests to register his/her name in the register of shareholders or to delete his/her name from the register of shareholders may apply to the competent court for correction of the register of shareholders.

Article 48 If the share certificate (i.e. the "original share certificate") held by any shareholder registered in the register of shareholders or by any person who requests to register his/her name in the register of shareholders is stolen, lost or destroyed, the shareholders may apply to the Bank for reissuing of new share certificate concerning such shares (i.e. the "relevant shares").

Application for reissuing of the share certificate from shareholders of domestic shares whose share certificate is stolen, lost or destroyed shall be dealt with in compliance with relevant provisions of the Company Law.

Applications for reissuing of the share certificate from shareholders of overseas listed foreign shares whose share certificate is stolen, lost or destroyed shall be dealt with in compliance with laws of the jurisdiction where the original register of shareholders of the overseas listed foreign shares is deposited, rules of the stock exchange or other relevant regulations.

Where the share certificates held by shareholders of overseas listed foreign shares listed in SEHK by the Bank are stolen, lost or destroyed, the application for reissuing shall comply with the following requirements:

- (I) the applicant shall file the application in the standard form specified by the Bank and enclose the notarial deed or the statutory declaration documents. The notarial deed or the statutory declaration documents shall include the reason for the application, how the share certificate is lost and the proof, and the declaration that no one else may request to register as shareholder of the relevant shares.
- (II) before the Bank decides to reissue the new share certificate, the Bank has not received any declaration that anyone except the applicant has requested to register as the shareholder of such shares.
- (III) if the Bank decides to reissue the new share certificate to the applicant, it shall publish the notice on reissuing such share certificate on the newspapers specified by the Board of Directors. The period of notice shall be ninety days and the notice shall be republished at least once every thirty days.
- (IV) before the Bank publishes the notice on its intention to reissue the new share certificate, it shall submit a copy of the notice to be published to the stock exchange where its shares are listed. After the stock exchange gives its reply confirming that such notice has been displayed in the stock exchange, the notice may be published. The display period of the notice in the stock exchange is ninety days.
- (V) If the application for reissuing of new share certificate has not been approved by the registered shareholders of relevant shares, the Bank shall mail the copy of the notice to be published to such shareholders.
- (VI) if the ninety-day period of notice and display as defined in items (III) and (IV) of this article expires and the Bank has not received any objection against such reissuing of new share certificate, then the Bank may reissue such new share certificate in accordance with the application of the applicant.
- (VII) when the Bank reissues the new share certificate according to this provision, it shall immediately cancel the original share certificate and shall record such cancellation and reissuing in the register of shareholders.
- (VIII) all the costs and expenses incurred by the Bank's cancellation of the original share certificate and reissuing of new share certificate shall be borne by the applicant. The Bank shall have the right to refuse to take any action before the applicant provides any reasonable guarantee.

Article 49 After the Bank reissues the new share certificate in accordance with the Articles, the names of the bona fide purchasers who obtain the aforesaid new share certificate or the shareholders who subsequently register as the owner of such shares (provided that he/she is a bona fide purchaser) shall not be deleted from the register of shareholders.

Article 50 The Bank shall assume no liability to compensate those who suffered loss due to the Bank's cancellation of the original share certificate or reissuing of new share certificate, unless such persons can prove fraud on the part of the Bank.

CHAPTER 6 SHAREHOLDERS AND SHAREHOLDERS' GENERAL MEETING

SECTION 1 SHAREHOLDERS

Article 51 Shareholders of the Bank shall be persons who lawfully hold the shares of the Bank and whose names are registered in the register of shareholders.

Shareholders shall enjoy rights and undertake obligations according to the class and number of shares held by them. Shareholders who hold the same class of shares shall enjoy the equal rights and undertake the equal obligation.

If more than two persons are registered as the joint shareholders of any shares, they shall be regarded as the common owners of the relevant shares, but shall be subject to the following provisions:

- (I) the Bank shall not register more than four persons as the joint shareholders of any shares;
- (II) all joint shareholders of any shares shall assume the joint and several liabilities for all the amount payable for the relevant shares;
- (III) if one of the joint shareholders dies, then only other living persons of the joint shareholders shall be deemed by the Bank as the owners of the relevant shares, but the Board of Directors shall have the right to request them to provide the death certification documents that it deems appropriate for the purpose of amending the register of shareholders;
- (IV) for joint shareholders of any shares, only the joint shareholder who ranks first in the register of shareholders shall have the right to receive the relevant share certificate from the Bank, to receive the notice from the Bank, to attend the shareholders' general meeting of the Bank or to exercise all the voting rights concerning the relevant shares. The notice delivered to the aforesaid person shall be deemed to have been delivered to all the joint shareholders of the relevant shares.

Article 52 Shareholders of ordinary shares of the Bank shall have the following rights:

- (I) collecting dividends and other forms of benefits distributed on the basis of the number of shares held by them;
- (II) attending or entrusting proxy to attend meetings of shareholders and exercise the voting rights;

- (III) supervising business operation of the Bank and putting forward suggestions or inquiries accordingly;
- (IV) transferring shares in accordance with laws, regulations, rules, regulatory documents, relevant regulations of the securities regulatory authority of the jurisdiction where shares of the Bank are listed as well as the Articles;
- (V) obtaining relevant information in accordance with the Articles, including:
 - 1. obtaining the Articles after paying relevant cost;
 - 2. counterfoils of the bonds of the Bank;
 - 3. financial and accounting reports of the Bank;
 - 4. reviewing and making copies of the following documents after paying reasonable costs:
 - (1) all parts of the register of shareholders;
 - (2) personal information of the director, supervisor, president and other senior management personnel of the Bank;
 - (3) status of share capital of the Bank;
 - (4) report on the aggregate par value, quantity, highest price and lowest price of each class of shares repurchased by the Bank since the last accounting year, as well as all the expenses paid by the Bank therefore;
 - (5) minutes of shareholders' general meeting, resolutions of board meetings and resolutions of meetings of the Board of Supervisors;
- (VI) participating in the distribution of the Bank's remaining property in proportion to the number of shares held by the shareholders when the Bank is terminated or liquidated;
- (VII) other rights conferred by laws, regulations, rules, regulatory documents and the Articles.

The Bank shall not exercise any power to freeze or prejudice the rights attached to any shares held by it in other manners just because any person who directly or indirectly owns interests has not disclosed their interests to the Bank.

Article 53 Shareholders shall submit to the Bank the written documents certifying the class and quantity of shares of the Bank held by them when they intend to review the information or documents stated in item (V) of the preceding Article. After the Bank verifies the identity of such shareholders, it shall provide the information and documents as required by such shareholders.

Article 54 Shareholders of ordinary shares of the Bank shall undertake the following obligations:

- (I) abiding by the Articles;
- (II) paying share capital according to the number of shares subscribed by them and the method of capital injection;
- (III) major shareholder shall make a true, accurate and complete disclosure of the particulars of the related parties to the Board of Directors, and undertake to promptly report to the Board of Directors of the Bank in case of any changes of their relationship in order to perform fiduciary duty to the Bank;
- (IV) shall support the Board of Directors to formulate a reasonable capital plan;
- (V) shall not abuse the shareholders' rights thus damaging the interests of the Bank or other shareholders; shall not abuse the independent legal person status of the Bank and the limited liability of shareholders thus damaging the interests of creditors of the Bank;
- (VI) if the shareholders of the Bank abuse the shareholders' rights thus causing loss to the Bank or other shareholders, they shall assume the liability of compensation according to law;
- (VII) if the shareholders of the Bank abuse the independent legal person status of the Bank and the limited liability of shareholders and evade repayment of debts thus seriously damaging the interests of the creditors of the Bank, they shall assume joint liability for the debts of the Bank;
- (VIII) shall not take advantage of or interfere with the decision-making and management authority entrusted to the Board of Directors and senior management under the Articles, and shall not bypass the Board of Directors and senior management and directly interfere with the operations and management of the commercial bank;
- (IX) other obligations imposed by laws, regulations, rules, regulatory documents and the Articles.

Shareholders shall not assume any responsibility for further capital contribution other than the conditions agreed to by the subscriber of the relevant shares on subscription.

Article 55 The controlling shareholders have a fiduciary duty to the Bank and other shareholders. The controlling shareholders shall strictly comply with laws, regulations, rules, regulatory documents and the Articles when exercising their rights as investors, and shall not abuse their position to gain improper benefits, or cause detriments to the lawful interests of the Bank and other shareholders.

Except for the obligations as required by laws, regulations, rules, regulatory documents or relevant regulations of the securities regulatory authorities of the jurisdiction where shares of the Bank are listed, the controlling shareholders shall not make any decisions that impair the interests of all or some of the shareholders concerning the following aspects when they exercise their rights as shareholders by exercising their voting rights:

- (I) exempting the responsibility of the director and the supervisor to act in good faith for the maximum benefit of the Bank;
- (II) approving the director and the supervisor to deprive the property of the Bank (including but not limited to the opportunities favorable to the Bank) in any form for their own benefits or for the benefits of others;
- (III) approving the director and the supervisor to deprive the individual interests of other shareholders (including but not limited to any distribution rights, voting rights, but excluding the restructuring of the Bank which is submitted to the shareholders' general meeting for approval in accordance with the Articles) for their own benefits or for the benefits of others.

Article 56 The shareholders shall strictly comply with laws, regulations, rules, regulatory documents, relevant regulations of the securities regulatory authority at the jurisdiction where the shares of the Bank are listed and the conditions and procedures defined by the Articles when they nominate candidates for the director and the supervisor of the Bank. The candidates for the director and the supervisor nominated by the shareholders shall have relevant professional knowledge as well as decision-making and supervision capacity. The resolution on the election by the shareholders' general meeting or the engagement by the Board of Directors does not require the approval procedure of any shareholder. The appointment and removal of senior management personnel by shareholders superseding the shareholders' general meeting and Board of Directors shall be deemed as invalid.

Article 57 The major shareholder herein shall refer to the shareholder who directly, indirectly or jointly holds or controls 5% or more of shares or voting rights of the Bank and has significant influence on the decision-making of the Bank.

The controlling shareholder(s) herein shall refer to the person(s) satisfying any of the following conditions:

- (I) The person may elect more than half of the directors when acting alone or in concert with others;
- (II) The person may exercise more than thirty percent of the total voting shares of the Bank or control the exercise of more than thirty percent of the total voting shares of the Bank when acting alone or in concert with others;
- (III) The person holds more than thirty percent of outstanding shares of the Bank when acting alone or in concert with others;
- (IV) The person may have de facto control over the Bank in any other manner when acting alone or in concert with others.

The term “acting in concert” herein shall mean the act or fact where investors, through agreement and other arrangement, jointly expand with other investors the number of voting shares of a listed company which can be dominated by them.

Article 58 The conditions of facility that the Bank offers to the shareholders shall not be more favourable than those offered to other customers of the same type of facility.

Article 59 The voting rights of shareholder(s), particularly the major shareholder(s) at the shareholders’ general meetings, as well as the voting rights of the director(s) acting as proxy(ies) of such shareholder at the board meeting, shall be subject to restrictions during the overdue period. According to the scope approved by the law, the Bank shall have the right to withhold the dividends of such shareholders as repayment of their overdue loans, and any assets to be distributed to such shareholders in the Bank’s liquidation process shall also be used in priority for repayment of their outstanding loans to the Bank.

Article 60 Shareholders shall strictly comply with the rules set out in the law, rules, regulations, regulatory documents and the Articles and serve a prior notice to the Board of Directors if they use their share certificate as guarantee for themselves or others.

Where a shareholder who has representation on the Board of Directors or the Board of Supervisors, or directly, indirectly or jointly holds or controls more than two percent of voting rights in the Bank pledges his equity interests in the Bank, it shall make prior filing to the Board of Directors of the Bank, which shall state the basic information of the pledge including the reasons for the pledge, the number of shares involved, the term of pledge and the particulars of the pledges. Where the Board of Directors considers the pledge to have material adverse impacts on the stability of the Bank’s shareholding structure, corporate governance, risk and connected transaction control, the filing shall not be accepted. The director(s) nominated by a shareholder proposing to pledge his shares in the Bank shall abstain from voting at the meeting of the Board of Directors at which such proposal is considered.

Article 61 Upon the registration of the pledge of equity interests, the shareholders involved shall provide the Bank with the relevant information in relation to the pledge of equity interests in a timely manner, so as to facilitate the Bank’s risk management and information disclosure compliance.

Article 62 Shareholders shall not pledge the Bank’s share certificate if the balance of loans they borrowed from the Bank exceeds the audited net book value of shares held by them in the previous year.

Article 63 Where a shareholder pledges 50 percent or more of his equity interests in the Bank, the voting rights of such shareholder at the shareholders’ general meeting, as well as the voting rights of the director(s) acting as proxy(ies) of such shareholder at board meetings, shall be subject to restrictions.

Article 64 The written agreement shall be signed for the transaction between the Bank and the shareholders. The agreement shall be signed based on the principle of equality, willingness and equivalence and for valuable consideration, and the content of the agreement shall be clear and specific.

Article 65 If any director(s) and senior management personnel(s) in the course of execution of the Bank’s duties violate(s) the laws, regulations, rules, regulatory documents or the provision of the Articles thus causing any loss to the Bank, shareholders holding more than one percent of the shares of the Bank

individually or jointly for a continuous period of more than 180 days shall have the right to request the Board of Supervisors in writing to institute proceedings at the people's court (against such director or senior management personnel); if the Board of Supervisors in the course of execution of the Bank's duties violates the laws, rules or the provision of the Articles thus causing any loss to the Bank, the aforesaid shareholders may in writing request the Board of Directors to institute proceedings at the people's court against the Board of Supervisors.

If the Board of Supervisors or the Board of Directors refuses to institute proceedings upon receipt of the written shareholders' request referred to above or fails to institute proceedings within thirty days after receipt of the request or in case of emergency, the Bank may suffer irrecoverable loss if proceedings are not instituted immediately, the shareholders referred to above shall have the right to directly institute proceedings at the people's court in their own names for the benefit of the Bank.

If a person infringing the lawful interests of the Bank thus causing loss to the Bank, the shareholders stipulated in the first paragraph of this article may institute proceedings at the people's court according to the provisions of the preceding two paragraphs.

Article 66 If any director(s) or senior management personnel(s) violate(s) laws, regulations, regulatory documents or the provision of the Articles thus affecting the interests of shareholders, shareholders may institute proceedings at the people's court (against such director(s) or senior management personnel(s)).

SECTION 2 GENERAL PROVISIONS OF SHAREHOLDERS' GENERAL MEETING

Article 67 The shareholders' general meeting is the organ of power of the Bank and shall legally exercise the following duties and powers:

- (I) deciding on the business policies and investment plans of the Bank;
- (II) electing and replacing directors not appointed from staff representatives and deciding on matters concerning their compensation;
- (III) electing and replacing supervisors not appointed from staff representatives and deciding on matters concerning their compensation;
- (IV) examining and approving work report of the Board of Directors;
- (V) examining and approving work report of the Board of Supervisors;
- (VI) examining and approving the Bank's annual financial budget and final account proposals;
- (VII) examining and approving the Bank's plans for profit distribution and loss make-up;
- (VIII) adopting resolutions concerning the increase or decrease of the Bank's registered capital;
- (IX) adopting resolutions on merger, division, dissolution, liquidation or change of corporate form of the Bank;

- (X) adopting resolutions on issuance of the Bank's bonds or other securities and public listing;
- (XI) adopting resolutions on the engagement, dismissal or discontinuation of engagement of accounting firms by the Bank;
- (XII) amending the Articles;
- (XIII) examining and approving proposals raised by the shareholders who individually or jointly hold more than three percent of the voting shares of the Bank;
- (XIV) examining and approving the establishment of legal persons, material merger and acquisition, material investment, material assets disposal and material guarantee and other matters;
- (XV) examining and approving the issues regarding changing the use of proceeds;
- (XVI) examining the share incentive plans;
- (XVII) adopting resolutions on repurchase of the shares of the Bank.
- (XVIII) examining the related party transactions that shall be examined and approved by the shareholders' general meeting as stipulated by laws, regulations, rules, regulatory documents and relevant regulations of the securities regulatory authority of the jurisdiction where the shares of the Bank are listed;
- (XIX) reviewing the performance assessment reports of directors and supervisors prepared by the Board of Supervisors;
- (XX) examining other issues that shall be approved by the shareholders' general meeting as stipulated by laws, regulations, rules and relevant regulations of the securities regulatory authority of the jurisdiction where the shares of the Bank are listed as well as the Articles.

The above matters within the scope of powers of the shareholders' general meeting shall be discussed and decided by the shareholder's general meeting, but the shareholders' general meeting may authorize the Board of Directors to decide such matters under circumstances that are necessary, reasonable and legal. The content of authorization shall be clear and specific.

For the authorization to the Board of Directors by the shareholders' general meeting, if matters authorized are those that shall be adopted by the shareholders' general meeting by means of the general resolution as specified in the Articles, they shall be adopted by more than half of the voting rights held by the shareholders (including shareholder proxies) present at the meeting. If matters authorized are those that shall be adopted by the general meeting of Shareholders by means of special resolution as specified in the Articles, they shall be adopted by more than two-thirds of the voting rights held by the shareholders (including shareholder proxies) present at the meeting.

Article 68 The Board of Directors shall draft the rules of procedures for the shareholders' general meeting including the meeting notice, way of convening the meeting, document preparation, way of voting, proposal submission system, meeting minutes, signature and abstention of related shareholders, and the rules shall be executed after being examined and approved by the shareholders' general meeting.

Article 69 Unless the Bank is in crisis or under other special circumstances, it shall not sign an agreement with any person other than directors, supervisors, presidents and other senior management personnel of the Bank for the delegation of the whole business management or the important business management of the Bank to such person without the approval through a special resolution of the shareholders' general meeting.

Article 70 There are two types of shareholders' general meeting: annual general meeting and extraordinary general meeting. The shareholders' general meeting is generally convened by the Board of Directors.

The annual general meeting shall be held once a year within six months after the end of the previous accounting year. If the meeting has to be postponed due to special reasons, it shall be reported to CBRC in time with the reasons stated.

An extraordinary general meeting shall be convened within two months from the occurrence date of any of the following events:

- (I) the number of directors is less than the minimum quorum stipulated in the Company Law or less than two-thirds of the number stipulated in the Articles;
- (II) the amount of the Bank's loss that have not been made up reaches one-third of the Bank's total paid-in share capital;
- (III) shareholders who individually or jointly hold more than ten percent of the voting shares of the Bank request to convene the meeting in writing;
- (IV) the Board of Directors deems necessary;
- (V) the Board of Supervisors proposes to convene the meeting;
- (VI) other circumstances stipulated by laws, regulations, rules, regulatory documents or the Articles.

The number of shares held referred to in item (III) above shall be calculated on the date when the shareholders put forward a written request.

Article 71 When the Bank is to convene a shareholders' general meeting, it shall issue a written notice forty-five days prior to the meeting, informing all the registered shareholders of the matters to be examined at the meeting as well as the date and place of the meeting. Shareholders that intend to attend the shareholders' general meeting shall, before twenty days prior to the meeting, deliver a written reply to the Bank on the meeting attendance.

The Bank shall, on the premise of ensuring the lawfulness and validity of the shareholders' general meeting, provide facilities to the shareholders attending the shareholders' general meeting by adopting various methods and channels including the provision of up-to-date information technology measures such as online voting platforms.

Article 72 Shareholders who individually or jointly hold more than three percent of shares of the Bank may provide an interim proposal and submit it in writing to the Board of Directors ten days before the shareholders' general meeting is convened. The Board of Directors shall issue a supplementary notice for the shareholders' general meeting within two days upon receipt of the proposal and submit such proposal to the shareholders' general meeting for approval. The content of the interim proposal shall be within the scope of authority of the shareholders' general meeting and there shall be clear and definite topics and specific matters to be resolved.

The shareholders' general meeting shall not vote and make a resolution on proposals which are not specified in the notice or the supplementary notice or not in compliance with the previous provision.

After the notice of the shareholders' general meeting is issued, the shareholder's general meeting shall not be postponed or cancelled without a proper reason and the proposals stated in the notice of the shareholders' general meeting shall not be cancelled. In the event of any postponement or cancellation of the shareholders' general meeting, the convener shall issue an announcement and state the reasons therein at least two working days before the original date of the shareholders' general meeting.

Article 73 The proposals of the shareholders' general meeting shall satisfy the following conditions:

- (I) the contents shall not conflict with laws, regulations, rules, regulatory documents and the Articles and shall fall within the business scope of the Bank and the scope of authority of the shareholders' general meeting;
- (II) there shall be clear and definite topics and specific matters to be resolved;
- (III) submit or deliver to the Board of Directors in writing.

Article 74 The Bank shall calculate the number of voting shares represented by the shareholders intending to attend the shareholders' general meeting based upon the written replies received twenty days prior to the shareholders' general meeting. Where the number of voting shares held by shareholders intending to attend the shareholders' general meeting reaches more than one half of the total number of voting shares of the Bank, the meeting may be held. Where such number of voting shares is not reached, the Bank shall issue an announcement to notify the shareholders of the matters to be discussed at the shareholders' general meeting and the place, date and time of the meeting within five days. The Bank may convene the shareholders' general meeting after such announcement has been made.

Article 75 The meeting notice for the shareholders' general meeting shall satisfy the following requirements.

- (I) in written form;

- (II) specifying the place, date and time of the meeting;
- (III) describing the matters to be discussed at the meeting;
- (IV) providing shareholders with materials and explanations necessary for them to make sensible decisions regarding the matters to be discussed, including (but not limited to) specific terms and agreement (if any) for a proposed transaction, and a detailed explanation of its causation and consequence where the Bank proposes a merger, repurchase of shares, restructuring of share capital or other form of restructuring;
- (V) where any director, supervisor, president and other senior management personnel has an important interest with regard to matters to be discussed, then the nature and extent of that interest shall be disclosed. Where the impact of the matters to be discussed on such director, supervisor, president and other senior management personnel who are shareholders is different from the impact on other shareholders of the same type, then that difference shall be illustrated;
- (VI) containing the full text of any special resolution proposed to be passed at the meeting;
- (VII) providing a clear description stating that all shareholders who have the right to attend and vote at the shareholders' general meeting have the right to entrust one or more proxies, as necessary, who does not need to be shareholders of the Bank, to attend and vote at the meeting;
- (VIII) stating the time and place for the delivery of proxy letter of the meeting.

Article 76 Except as otherwise provided in the Articles, the notice of a shareholders' general meeting shall be delivered by hand or by pre-paid post to all shareholders, (whether or not such shareholder has a voting right at the shareholders' general meeting). The address of the recipient shall be the address registered in the register of shareholders. The notice of a shareholders' general meeting may be in the form of an announcement for shareholders of domestic shares.

The announcement mentioned above shall be published in one or more newspapers designated by the securities regulatory authority of the State Council forty-five to fifty days prior to the meeting. All shareholders of domestic listed shares shall be deemed as having received the notice of shareholders' general meeting upon the publication of the announcement.

Subject to laws, regulations, rules, regulatory documents and relevant regulations of the securities regulatory authority of the jurisdiction where shares of the Bank are listed, the Bank may also issue notice of the shareholders' general meeting by making announcement in the Bank's website and the websites designated by SEHK for the shareholders of overseas listed foreign shares, in lieu of the delivery of such notice by hand or by pre-paid post to the shareholders of overseas listed foreign shares.

Article 77 Any shareholder who has the right to attend and vote at a shareholders' general meeting shall have the right to appoint one or more persons (not necessarily shareholder(s)) as his/her proxy to attend and vote at the meeting. Such proxy may exercise the following rights in accordance with the shareholder's appointment:

- (I) the right to speak at the shareholders' general meeting;
- (II) the right to require by himself/herself or jointly with others to request for voting by poll;
- (III) the right to vote by a show of hands or ballot, in case the shareholder has appointed more than one proxy, such proxies can only exercise the voting right by poll.

Article 78 Shareholders shall appoint proxy in writing. The proxy form shall be signed by the appointor or its authorized representative who has been authorized in writing. If the appointor is a legal person or other organization, the document shall be affixed with the legal person's seal or seal of the organization or signed by its director, or legal representative or duly authorized representative.

Individual shareholder attending the meeting in person shall present his/her identification card, effective certificate/proof of his/her identification and stock account card. When a proxy attends the meeting in place of the shareholder, he/she shall present his/her valid identification card and the power of attorney issued by the shareholder.

Legal person shareholders shall be represented by its legal representative or proxy entrusted by its legal representative to attend the meeting. Legal representative attending the meeting shall present his/her identification card, effective proof of his/her qualification as a legal representative. When a proxy is entrusted to attend the meeting, he/she shall present his/her identification card, written power of attorney issued by the legal representative of the legal person shareholder.

Article 79 The proxy form for voting shall be placed at the domicile of the Bank, or at other place designated in the notice of meeting, at least twenty-four hours prior to convening of the meeting which the relevant matters will be voted on, or twenty-four hours prior to the designated voting time. If the proxy form is signed by a person authorized by the appointor, the power of attorney or other authorization document shall be notarized. The notarized power of attorney or other authorization document shall be placed together with the proxy form authorizing the proxy to vote at the domicile of the Bank or other place designated in the notice of meeting.

Article 80 Any format of blank proxy form issued by the Board of Directors of the Bank to the shareholders for the appointment of proxies shall give the shareholder free choice to instruct their proxies to cast an affirmative or, negative vote or abstain from voting, and to give separate instructions on each matter to be voted at the meeting. The proxy form shall state that the proxy may vote at his/her discretion if the appointor does not give any instruction.

Article 81 If, before voting, the appointor has passed away, lost his/her ability to act, withdrawn the appointment, withdrawn the authorization to sign the proxy form, or transferred all his/her shares, the vote cast by the proxy in accordance with the proxy form shall remain valid so long as the Bank has not received the written notice regarding such matters before the commencement of relevant meeting.

SECTION 3 CONVENING OF SHAREHOLDERS' GENERAL MEETING

Article 82 More than half of the independent directors may jointly propose to the Board of Directors to convene extraordinary general meeting and the proposal shall be made in writing to the Board of Directors. For such proposal, the Board of Directors shall, in accordance with laws, regulations, rules, regulatory documents and the Articles, make a response in writing on whether or not it agrees to convene an extraordinary general meeting within ten days upon receipt of such proposal.

If the Board of Directors agrees to convene an extraordinary general meeting, a notice of convening the extraordinary general meeting shall be issued within five days after the resolution of the Board of Directors is passed. If the Board of Directors refuses to convene the extraordinary general meeting, it shall give an explanation and issue an announcement in accordance with relevant regulations.

Article 83 The Board of Supervisors shall have the right to propose to the Board of Directors to convene an extraordinary general meeting and the proposal shall be made in writing to the Board of Directors. The Board of Directors shall make a written response as to whether or not it agrees to convene such an extraordinary general meeting within ten days upon receipt of the proposal in accordance with laws, regulations, rules, regulatory documents and the Articles.

If the Board of Directors agrees to convene an extraordinary general meeting, a notice of convening the extraordinary general meeting shall be issued within five days after the resolution of the Board of Directors is passed. Changes made to the original proposal in the notice shall be approved by the Board of Supervisors.

In case the Board of Directors refuses to convene an extraordinary general meeting, or does not give any response within ten days upon receipt of the proposal, the Board of Directors shall be deemed to be unable or have failed to perform its duty to convene shareholder's general meeting, and the Board of Supervisors may convene and preside over the meeting by itself.

Article 84 Shareholders who individually or jointly hold more than ten percent of the shares of the Bank (hereinafter referred to as the "proposing shareholders") shall have the right to request the Board of Directors to convene an extraordinary general meeting. Such request shall be made in writing to the Board of Directors. The Board of Directors shall make a written response as to whether or not it agrees to convene the extraordinary general meeting within ten days upon receipt of the request in accordance with laws, regulations, rules, regulatory documents and the Articles hereof.

If the Board of Directors agrees to convene an extraordinary general meeting, a notice of convening the extraordinary general meeting shall be issued within five days after the resolution of the Board of Directors is passed. Changes made to the original request shall be approved by the proposing shareholders.

If the Board of Directors refuses to convene an extraordinary general meeting, or does not give any response within ten days upon receipt of the request, the proposing shareholders shall have the right to propose to the Board of Supervisors to convene the extraordinary general meeting. Such proposal shall be made in writing to the Board of Supervisors.

If the Board of Supervisors agrees to convene an extraordinary general meeting, a notice of convening the extraordinary general meeting shall be issued within five days upon receipt of the proposal. Changes made to the original proposal shall be approved by the proposing shareholders.

If the Board of Supervisors fails to give the notice of such a meeting within the specified time limit, it shall be deemed to have failed to convene or preside over the meeting, in which case, shareholders who either individually or jointly hold more than ten percent of the Bank's shares for more than ninety consecutive days (hereinafter referred as the "convening shareholders") shall have the right to convene and preside over the meeting by themselves.

Article 85 When the Board of Supervisors or the convening shareholders decide to convene an extraordinary general meeting by themselves, they shall notify the Board of Directors in writing, and file with the securities regulatory authority of the State Council in the place where the Bank is situated and the stock exchange of jurisdiction where the shares of the Bank are listed. The Board of Supervisors or the convening shareholders shall issue a notice of convening the extraordinary general meeting. The content of the notice shall comply with the following requirements and the provision in Article 76:

- (I) no new content shall be added to the proposal, otherwise, the convening shareholders or the Board of Supervisors shall make a new request to the Board of Directors for convening of the extraordinary general meeting according to the aforesaid procedures;
- (II) the meeting shall be held at the domicile of the Bank.

Before the resolution of shareholders' general meeting is announced, the proportion of shares held by the convening shareholders should not be less than ten percent.

Article 86 If the Board of Supervisors or shareholders convene a shareholders' general meeting on their own, the Board of Directors and the secretary of the Board of Directors shall cooperate accordingly. The Board of Directors shall provide the register of shareholders as at the date of the shareholding registration date.

Article 87 Reasonable expenses incurred by shareholders who convene the meeting on their own due to the failure of the Board of Directors to convene the meeting as required by this section of the Articles, shall be borne by the Bank and shall be deducted from the amount due from the Bank to those directors who have not fulfilled their duty.

Article 88 Where the shareholders' general meeting is convened by the Board of Directors, the chairman shall act as the chairman of the meeting and shall preside over the meeting; if the chairman is unable or fails to perform his/her duties, the vice chairman of the Board of Directors shall convene and preside over the meeting; if the vice chairman is unable or fails to perform his/her duties, the Board of Directors may appoint one director of the Bank to convene and preside over the meeting on its behalf; if no chairman is appointed, shareholders present at the meeting may elect one to act as the chairman and preside over the meeting; if shareholders fail to elect a chairman due to certain reason, the shareholder (including proxy) attending the meeting and holding the most voting shares shall preside over the meeting.

Where a shareholders' general meeting is convened by the Board of Supervisors, the meeting shall be presided over by the chairman of the Board of Supervisors; if the chairman of the Board of Supervisors is unable or fails to perform his/her duties, the vice chairman of the Board of Supervisors shall preside over the meeting; if the vice chairman is unable or fails to perform his/her duties, a supervisor jointly chosen by more than half of the supervisors shall preside over the meeting.

The shareholders' general meeting convened by shareholders themselves shall be presided over by the one elected by the conveners.

Article 89 The Bank's Board of Directors and other conveners shall adopt necessary measures to maintain the order of the shareholders' general meeting. Any act which disrupts in the shareholders' general meeting, makes trouble and infringes the lawful interests of shareholders shall be prohibited and reported on a timely basis to relevant authorities for investigation and punishment.

SECTION 4 VOTING AND RESOLUTIONS AT SHAREHOLDERS' GENERAL MEETING

Article 90 The resolutions of shareholders' general meeting shall be divided into two types: general resolutions, and special resolutions.

General resolutions made by the shareholders' general meeting shall be adopted by more than half of voting shares held by the shareholders (including their proxies) present at the meeting.

Special resolutions made by the shareholders' the general meeting shall be adopted by more than two-thirds of voting shares held by the shareholders (including their proxies) present at the meeting.

Article 91 The following matters shall be adopted by general resolution at the shareholders' general meeting:

- (I) the business policies and investment plans of the Bank;
- (II) work report of the Board of Directors and the Board of Supervisors;
- (III) plans for profit distribution and loss make-up proposed by the Board of Directors;
- (IV) engagement and dismissal of the members of the Board of Directors and the Board of Supervisors as well as their compensation and the payment methods;
- (V) annual financial budget proposal, final accounts, balance sheet, profits statement and other financial reports of the Bank;
- (VI) annual report of the Bank;
- (VII) engagement and dismissal of accounting form;
- (VIII) guarantees provided for shareholders, de facto controllers and their related parties;

(IX) Matters other than those stipulated by laws, regulations, rules, regulatory documents or the Articles that shall be adopted by special resolutions.

Article 92 The following matters shall be adopted by special resolution at the shareholders' general meeting:

- (I) amendment of the Articles;
- (II) increase or reduction in registered capital of the Bank and issuance of any class of shares, warrants and other similar securities;
- (III) repurchase of the Bank's shares;
- (IV) division, merger, dissolution and liquidation of the Bank or change of corporate form;
- (V) issuance of corporate bonds;
- (VI) examination and approval or authorization to the Board of Directors to approve the establishment of legal persons, material merger and acquisition, material investment, material assets disposal and material guarantee and so on.
- (VII) the share incentive plans;
- (VIII) making adjustments to the profit distribution policy of the Bank pursuant to the requirements of the laws, regulations, rules, regulatory documents and the Articles;
- (IX) other matters stipulated by laws, regulations, rules, regulatory documents and the Articles, and deemed by the shareholders' general meeting in a general resolution as it will have material impact on the Bank and require the adoption by a special resolution.

Article 93 When shareholders (including their proxies) attend the shareholders' general meeting, they shall exercise their voting rights according to the voting shares held by them, with each share representing one vote.

The same voting right shall only be exercised by attending meeting in person, through the internet or any one of the other voting methods. The first vote cast shall prevail if repeated voting occurs in relation to the same voting right.

The shares of the Bank held by the Bank do not have any voting right and such shares shall not be counted in the total voting shares held by the shareholders present at the shareholders' general meeting.

The Board of Directors, independent directors and the shareholders who meet the relevant conditions may collect the shareholders' voting rights.

Article 94 When a shareholders' general meeting examines the related party transactions, the related shareholders shall not participate in voting and the number of shares with voting rights represented by them shall not be counted in the total number of valid votes; the announcement of the resolution of the shareholders' general meeting shall fully disclose the voting by unrelated shareholders.

The related shareholders may abstain from voting themselves or upon request by any other shareholder attending the shareholders' general meeting.

If any shareholder cannot exercise his/her voting right regarding a certain proposal, or is only restricted to cast either affirmative or negative vote, the vote cast by such shareholder or his/her proxy, which violates the aforesaid provisions or restrictions, shall not be counted into the voting result.

Article 95 Shareholders shall vote by show of hand at a shareholders' general meeting, unless relevant regulations of the securities regulatory authority of the jurisdiction where the shares of the Bank are listed require voting by poll, or the following persons require voting by poll before or after voting by show of hand:

- (I) chairman of the meeting;
- (II) at least two shareholders or two proxies of shareholders with voting rights;
- (III) one or several shareholders (including their proxies) holding more than ten percent of the voting shares at the meeting, individually or jointly.

Unless someone proposes voting by poll, chairman of the meeting shall announce whether or not the proposal is adopted according to the result of voting by a show of hands, and record it in the meeting minutes as the final evidence. It shall be not necessary to demonstrate the number of affirmative or negative votes or their proportion for the resolution adopted at the meeting.

The request for voting by poll can be withdrawn by the proposer.

Article 96 Voting by poll requested for matters concerning the election of chairman or suspension of the meeting shall be conducted immediately; for other matters, the chairman of the meeting shall decide when to conduct voting by poll. The meeting may continue to discuss other matters, and the voting result shall still be deemed as the resolution adopted at the said meeting.

Article 97 In the case of voting by poll, shareholders (including their proxies) with two or more votes need not cast all their votes as to vote for or vote against or abstain from voting.

When the number of votes for and against a resolution is equal, regardless whether the vote is taken by hands or by ballot, the chairman of the meeting shall be entitled to one additional vote.

Article 98 Votes on each matter proposed to be examined at the meeting shall be counted on the spot and the voting result shall be announced on the spot as well.

Article 99 If the chairman of the meeting has any doubt about the voting result, he/she may organize to count the votes. If the chairman does not count the votes, and the shareholders or their proxies present at the meeting want to challenge the results announced by the chairman, they shall have the right to request for the counting of the votes immediately after the announcement, and the chairman shall organize to count the votes.

If votes are counted at a shareholders' general meeting, the counting result shall be recorded in the meeting minutes.

Article 100 The chairman of the meeting shall decide whether resolutions of the shareholders' general meeting are passed according to the voting results. The decision shall be final and the voting results shall be announced at the meeting. The result of voting upon the resolutions shall be recorded in the meeting minutes.

Article 101 If the resolution of the shareholders' general meeting violates laws or administrative regulations, it shall be deemed as invalid.

If the convening procedure and voting method of the shareholders' general meeting violates laws, administrative regulations or the Articles, or resolution contents violate the Articles, shareholders may, within sixty days upon the date of adopting the resolution, request the people's court to rescind the resolutions.

If shareholders file lawsuit in accordance with the aforesaid term, the Bank may apply to the people's court to request the shareholders to provide corresponding guarantee.

If the Bank has registered the change in accordance with resolution of the shareholders' general meeting, and the people's court declares such resolution be void or rescinded, the Bank shall apply to the company registration authority for rescission of such registration of change.

Article 102 The shareholders' general meeting shall be recorded in minutes which shall be conducted by the secretary of the Board of Directors, and the minutes shall include the contents set forth below:

- (I) time, place, agenda and name of the convener of the meeting;
- (II) names of the chairman, directors, supervisors, president, secretary of the Board of Directors and other senior management personnel present or present as a non-voting attendee at the meeting;
- (III) number of shareholders and their proxies present at the meeting, the total number of voting shares held and the proportion to the total number of shares of the Bank;
- (IV) discussion on the process, key points of the speech and voting result of each proposal;
- (V) inquiries, advices or proposals of the shareholders and related reply or explanation;
- (VI) name of the lawyer(s), vote calculator(s) and person(s) who supervise(s) the calculating of the votes;

(VII) other contents required to be recorded in the minutes by the Articles.

Article 103 Minutes of the shareholders' general meeting shall be signed by the directors present at the meeting and chairman of the meeting, and shall be kept in the registered domicile of the Bank together with the signature list of shareholders attending the meeting and the proxy form as archive of the Bank.

Article 104 Shareholders may review the duplicates of meeting minutes free of charge during office hours of the Bank. If any shareholder requests for duplicates of relevant meeting minutes, the Bank shall deliver the duplicates within seven days upon receipt of reasonable fees.

Article 105 When the shareholders' general meeting is held, the Bank shall engage lawyers to provide legal opinions on the follow issues and make an announcement:

- (I) whether the procedures of convening and holding the meeting comply with laws, administrative regulations and the Articles;
- (II) whether the qualification of attendees and convener is legal and valid;
- (III) whether the procedure and result of voting is legal and valid;
- (IV) legal opinions on other relevant issues requested by the Bank.

The resolutions of the shareholders' general meeting shall be announced in a timely manner. The announcement shall set out the number of shareholders and their proxies attending the meeting, the total number of voting shares held and the proportion to the total number of voting shares of the Bank, the voting method, and the voting results of each proposal.

If a proposal is not passed or a resolution passed at the previous shareholders' general meeting is amended at such shareholders' general meeting, it shall be set out as a special reminder in the announcement on resolutions of the shareholders' general meeting.

CHAPTER 7 SPECIAL PROCEDURES FOR THE VOTING OF CLASSIFIED SHAREHOLDERS

Article 106 Shareholders holding different class of shares shall be classified shareholders.

Classified shareholders shall enjoy the rights and assume the obligations in accordance with laws, administrative regulations and the Articles.

Except shareholders of other class of shares, shareholders of domestic shares and shareholders of overseas listed foreign shares shall be considered as different class of shareholders.

Each classified shareholder of the Bank shall enjoy equal rights in any distribution made by means of dividend or other ways.

Upon approval by the securities supervisory authority of the State Council, shareholders of domestic shares of the Bank may transfer the shares held by them to overseas investors and such shares may be listed and traded overseas. If the transferred shares are listed and traded on overseas stock exchanges, the regulatory procedures, provisions and requirements of the overseas stock markets shall also be complied with. No classified shareholders' general meeting will be required for the listing and trading of the transferred shares on overseas stock exchanges.

Article 107 If the Bank intends to change or abrogate the rights of classified shareholders, it may do so only after such change or abrogation has been approved by a special resolution of the shareholders' general meeting and by the meetings of shareholders convened separately by the affected classified shareholders in accordance with Article 109 to Article 113 respectively.

Article 108 In the following conditions, rights of a certain classified shareholder shall be deemed to be changed or abrogated:

- (I) an increase or decrease in the number of shares of such class or an increase or decrease in the number of shares of a class having voting rights, distribution rights or other privileges that is equal or superior to those of the shares of such class;
- (II) a conversion of all or part of the shares of such class into shares of another class, a conversion of all or part of the shares of another class into shares of such class or the grant of the right to such conversion;
- (III) a cancellation or reduction of rights to gain accrued dividends or accumulated dividends attached to shares of such class;
- (IV) a reduction or cancellation of the priority attached to shares of such class in dividend distribution or property distribution during liquidation of the Bank;
- (V) an increase, cancellation or reduction of share conversion rights, options, voting rights, transfer rights, preemptive rights or rights to acquire securities of the Bank attached to shares of such class;
- (VI) a cancellation or reduction of rights to receive amounts payable by the Bank in a particular currency attached to shares of such class;
- (VII) a creation of a new class of shares with voting rights, distribution rights or other privileges equal or superior to those of the shares of such class;
- (VIII) an imposition of restrictions or increase of restrictions on the transfer of ownership of shares of such class;
- (IX) a right to subscribe for such class or another class of shares, or convert into another class of shares;
- (X) an increase in the rights and privileges of shares of another class;

(XI) restructuring plan of the Bank will cause shareholders of different categories to bear liability disproportionately during the restructuring;

(XII) an amendment or abrogation of the terms of the Articles.

Article 109 Classified shareholders affected, whether or not originally having voting rights at the shareholders' general meeting, shall have voting right in the classified shareholders' meeting when the matters stated in items (II) to (VIII), (XI) to (XII) of Article 108 are concerned, except for the interested shareholders.

The aforesaid interested shareholders have the following meanings:

- (I) when the Bank makes repurchase offer to all shareholders equally pro rata or repurchases shares of the Bank by means of open transaction at the stock exchange in accordance with Article 28, "interested shareholders" refer to the controlling shareholders defined in Article 57;
- (II) when the Bank repurchases shares of the Bank by means of agreement outside the stock exchange in accordance with Article 28, "interested shareholders" refer to the shareholders related to the agreement;
- (III) in the restructuring plan of the Bank, "interested shareholders" refer to those shareholders who assume responsibilities at a lower proportion than other shareholders of the same class or those shareholders who have different benefits from other shareholders of the same class.

Article 110 Resolution of classified shareholders' meeting shall be adopted by more than two-thirds of voting shares held by the shareholders present at the meeting of shareholders according to Article 109.

Article 111 When the Bank convenes the classified shareholders' meeting, it shall issue a written notice forty-five days prior to the meeting, to inform all shareholders of that class who are listed in the register of the matters to be examined, place, date and time of the meeting. Shareholders who intend to attend the meeting shall send a written reply of attendance to the Bank twenty days prior to the meeting.

When the voting shares held by the shareholders who intend to attend the meeting reach more than half of the total voting shares of such class at the meeting, the Bank may convene the classified shareholders' meeting. Otherwise, the Bank shall, within five days, inform the shareholders of the matters to be examined, and the place, date and time of the meeting through public announcement. After issuing such an announcement, the Bank may convene the classified shareholders' meeting.

Article 112 The notice of the classified shareholders' meeting shall only be served on shareholders who have right to vote at the meeting.

Unless otherwise specified herein, the procedure to convene the classified shareholders' meeting shall resemble that of a shareholders' general meeting as far as possible. Terms in the Articles which are related to the procedure to convene a shareholders' general meeting shall apply to meeting of classified shareholders.

Article 113 Special voting procedures of classified shareholders shall not apply in the following cases:

- (I) upon approval of the shareholders' general meeting by special resolution, the Bank issues domestic shares and overseas listed foreign shares every other twelve months, either separately or simultaneously, and the domestic shares and overseas listed foreign shares to be issued do not exceed twenty percent of the total number of such class of outstanding shares;
- (II) the plan on issuing domestic shares and overseas listed foreign shares at the establishment of the Bank is accomplished within fifteen months from the date of obtaining approval from the securities regulatory authority of the State Council;
- (III) upon the approval of the securities regulatory authority of the State Council, the shareholders of domestic shares of the Bank convert the shares held by them to overseas listed foreign shares which are listed and traded on overseas stock exchange.

CHAPTER 8 DIRECTORS AND BOARD OF DIRECTORS

SECTION 1 DIRECTORS

Article 114 A director of the Bank must be a natural person who is not required to hold any shares of the Bank.

Directors of the Bank shall comprise executive directors and non-executive directors, and nonexecutive directors shall comprise independent directors. The term "executive director" refers to person who holds a position in the Bank other than director, member or chairman of special committee of the Board of Directors. The term "non-executive director" refers to person who does not hold any position in the Bank relating to operation and management.

Non-executive directors shall coordinate between the shareholders and the Bank in compliance with the law, monitor the related-party transactions between shareholders and the Bank and support the Bank to formulate the capital replenishment plan.

Article 115 Directors shall be elected by the shareholders' general meeting. The term of a director shall be three years, effective from the date of approval of CBRC. A director may serve consecutive terms if he/she is re-elected when his/her term expires. Any re-election shall become effective from the date of approval of the shareholders' general meeting.

Article 116 Directors shall be entitled to obtain information related to various business conditions and financial status of the Bank in accordance with laws, and have the right to supervise the performance of duty by other directors and senior management personnel.

The Bank shall adopt measures to protect directors' right of information, and ensure the authenticity and completeness of the information provided. The Bank shall, in accordance with the provisions of the Articles, inform all directors of all matters which need to be decided by the Board of Directors and provide relevant materials, adopt measures to protect the rights of the directors to attend board meeting and provide working

conditions necessary for the directors to perform their duties. When directors are exercising their duties and powers, relevant personnel of the Bank shall cooperate positively and should not reject, hinder or hide any matter, or interfere with the directors in their exercising of such duties and powers.

Article 117 Directors of the Bank shall have the expertise and working experience in performing their duties and shall meet the relevant appointment conditions as required by the CBRC.

Directors of the Bank shall participate in the training according to the requirement to understand the rights and duties of a director and familiarize with the relevant knowledge relating to laws and regulations.

Article 118 Unless otherwise required by the Articles, the methods and general procedures to nominate and elect directors are as follows:

- (I) the candidates for directors may be nominated by the Nomination Committee under the Board of Directors according to the number of directors to be elected to the extent of the number specified by the Articles; shareholders individually or jointly holding no less than three percent of the total voting shares issued by the Bank may nominate the candidates for directors to the Board of Directors;
- (II) the Nomination Committee under the Board of Directors shall make a preliminary examination on qualifications and conditions of candidates for directors. The names of qualified candidates are then submitted to the Board of Directors for consideration. Candidates for directors shall be presented to the shareholders' general meeting for election in a written proposal upon approval by the Board of Directors;
- (III) before the convening of shareholders' general meeting of the Bank, candidates for directors shall make written commitments stating their acceptance of the nomination, undertaking that the public disclosure of the information is true and complete, and promising to faithfully perform the duties of directors if elected;
- (IV) the intention to nominate a candidate as a director, the nominee's notice expressing his acceptance of such nomination and the relevant written document of the nominee shall be lodged to the Bank not less than seven days prior to the convening of the shareholders' general meeting. Nominators shall provide resume and basic information of the nominee to shareholders. The period given by the Bank to relevant nominators and nominees to submit the aforesaid notices and documents (which is counted from the next day when the notice of shareholders' general meeting is issued) shall be no less than seven days;
- (V) the Board of Directors shall disclose detailed information of the candidate for director before convening the shareholders' general meeting according to the law, regulations and the Articles of the Bank to ensure that shareholders have full understanding of the candidate;
- (VI) each candidate for director shall be elected individually at the shareholders' general meeting;

(VII) in the case of temporary addition or replacement of any director, the Nomination Committee under the Board of Directors or the shareholders qualified to nominate a candidate shall propose the nomination to the Board of Directors for consideration and put forward to the shareholders' general meeting for the election or replacement.

The shareholders' general meetings shall not dismiss any director before the expiry of his/her term without reasons. Subject to compliance with the requirements of relevant laws and administrative regulations, any director whose term has not yet expired may be removed by the way of passing of an ordinary resolution at the shareholders' general meeting (without prejudice to claims that may be made under any contracts).

Article 119 A director shall not act on behalf of the Bank or the Board of Directors in his own name without complying with the provisions of the Articles or obtaining the lawful authorization of the Board of Directors. If a director acts in his own name and a third party reasonably considers that such director acts on behalf of the Bank or the Board of Directors, such director shall declare his position and identity in advance.

Article 120 If a director or other enterprises in which he/she holds a post directly or indirectly has connected relations with any existing or proposed agreement, transaction, arrangement of the Bank (except employment agreement), the nature and extent of such connected relations shall be disclosed to the Board of Directors as soon as possible irrespective of whether the relevant matter is required to be approved by the Board of Directors or not under normal circumstances.

Article 121 A director shall not serve as a director or senior management personnel concurrently for a financial institution which may have interest conflicts with the Bank.

Article 122 Directors shall contribute enough time to perform their duties. Directors in charge of the Audit Committee, Related Party Transaction Control Committee and Risk Control Committee shall work for the Bank for no less than twenty-five working days each year.

Directors shall attend personally at least two-thirds of the board meetings each year. If a director fails to attend a board meeting in person on two occasions consecutively and fails to appoint another director to attend the board meeting, the director shall be deemed as a failure to discharge his/her duties. The Board of Directors shall put forward a proposal at the shareholders' general meeting to remove such director.

Article 123 Directors shall attend the board meetings in a responsible manner and clearly express an independent, professional and objective clear opinion on the matters to be discussed in the board meeting. If a director is indeed unable to attend the board meeting in person, he/she may appoint other directors of the same class in writing to vote on his/her behalf according to the appointor's intention and the appointor shall assume legal responsibility independently.

A director who fails to attend the board meeting in person and fails to appoint another director to attend on his/her behalf shall assume the corresponding legal responsibility for the resolutions of the Board of Directors.

Article 124 A director who violates laws, regulations, rules, regulatory documents or the Articles in performing his/her duties of the Bank and causes losses to the Bank shall bear compensatory responsibilities.

Article 125 If the number of the Board of Directors falls below the minimum number as required by the Articles because re-election is not timely conducted upon expiry of the term of office of a director, or resignation of a director during his term of office, then such director shall continue to perform his/her duties in accordance with laws, regulations, rules, regulatory documents and the Articles until a new director is elected and assumes his/her office.

A director may resign prior to the expiration of his/her term of office. If a director resigns, he/she shall submit a resignation report in writing to the Board of Directors. The Board of Directors shall disclose the relevant situation within 2 days. Except in the aforesaid situation where the resignation of a director results in the number of the Board of Directors to fall below the quorum, the resignation of a director shall become effective when it is served upon the Board of Directors. If a person is appointed at the shareholders' general meeting to fill a casual vacancy of the Board of Directors or is appointed as an additional director, his/her term of office shall be lasted until the time of convening the shareholders' general meeting to select the next Board of Directors and such person has the qualification to be re-elected.

SECTION 2 INDEPENDENT DIRECTORS

Article 126 Independent directors of the Bank refers to directors who do not hold any position other than as directors, members or chairman of special committee of the Board of Directors, and those who have no relation with the Bank and its substantial shareholders that may affect their independent and objective judgment.

Article 127 Directors of the Bank shall comprise of at least three independent directors. Independent directors of the Bank shall comprise at least one accounting professional.

The qualifications of independent directors shall be approved by CBRC. Independent directors shall have high professional qualities and good reputation, and shall, meanwhile, satisfy the following requirements:

- (I) satisfying the qualifications for holding the position of director in a listed company as stipulated by the laws, regulations, rules and regulatory documents;
- (II) with an bachelor's degree (including bachelor's degree) or higher or a job title at middle level or above in the related profession;
- (III) having more than five years experience in law, economy, finance, accounting or other working experience which are helpful for performing the duties of an independent director;
- (IV) being familiar with the laws, regulations, rules and regulatory documents related to the operation and management of commercial banks;
- (V) being able to read, understand and analyze credit statistical report and financial statement of commercial banks;
- (VI) not holding other positions other than as independent directors and having no relation with the Bank and its substantial shareholders, de facto controllers or units or individuals having interests in the Bank that may impair their independent and objective judgment;

- (VII) having basic knowledge about the operation of a listed company and being familiar with the relevant laws, regulations, rules and regulatory documents;
- (VIII) ensuring enough time and energy to effectively perform duties and promising to duly perform duty of loyalty and diligence;
- (IX) other requirements as stipulated in the Articles.

Article 128 Independent directors shall perform their duties independently and shall not be affected by the substantial shareholders, de facto controllers of the Bank and other units or individuals having interests in the Bank, in particular ensuring that the lawful interests of the minority shareholders shall not be prejudiced.

Article 129 In addition to the persons prohibited from serving as directors of the Bank, the following persons may not serve as independent directors of the Bank:

- (I) persons who directly or indirectly hold more than one percent of the shares of the Bank or hold positions in entities of shareholders of the Bank in the previous year;
- (II) persons who hold positions in the Bank or in the enterprises whose shares are held by the Bank or actually controlled by the Bank in the three years before assuming their office;
- (III) persons who hold positions in entities in the areas of law, accounting, audit, management consultancy, etc. that have business connections with or interests in the Bank;
- (IV) persons who hold positions in the enterprises owing overdue loans to the Bank;
- (V) any other persons who may be controlled by the Bank or may be materially affected through various methods by the Bank;
- (VI) persons who were sentenced due to conviction of corruption, bribery, infringement of property, misappropriation of property or disruption of the market economic order, or has been deprived of his/her political rights due to the conviction;
- (VII) persons who were a former director or factory manager or manager of companies or enterprises which has been bankrupted and liquidated due to improper operation and was personally liable for the bankruptcy of such companies or enterprises;
- (VIII) persons who were a former legal representative of a company or enterprise the business license of which was revoked as a result of violation of law and was personally liable for such revocation;
- (IX) persons who were removed from office by their former companies for failure to diligently perform their duties;
- (X) persons who served as principal officers of high-risk financial institutions and that are unable to prove they are not liable for the cancellation or loss of assets of such financial institutions;

- (XI) close relatives of the persons stated in items (I) to (VI) above. The close relatives referred in the Articles shall refer to spouses, parents, children, grandparents and siblings;
- (XII) important social connections of persons who held positions in the Bank or in the enterprises whose shares are held by the Bank or actually controlled by the Bank within one year before assuming their office. The important social connections referred in the Articles shall refer to siblings, parents-in-law, daughters-in-law, sons-in-law, spouses of siblings and siblings of spouses and so on;
- (XIII) any other persons who is prohibited to act as independent directors as stipulated by the laws, regulations, rules, regulatory documents, the Articles and as prescribed by the relevant competent authorities such as CBRC and CSRC as well as the securities regulatory authority of jurisdiction where shares of the Bank are listed and other regulatory authorities.

Article 130 Persons who work in government authorities shall not serve concurrently as the independent directors of the Bank and the independent directors shall not hold positions in more than two commercial banks concurrently (including independent directors).

Article 131 Methods of nomination and procedures of election for independent directors are as follows:

- (I) candidates for independent directors may be nominated by the Nomination Committee under the Board of Directors of the Bank;
- (II) shareholders who individually or jointly hold no less than one percent of the issued shares of the Bank shall nominate candidate who satisfy the requirements for independent directors;
- (III) the same shareholder may only nominate one candidate for independent director and shall not nominate candidates for both independent director and external supervisor. If the candidate for independent director nominated by the same shareholder has held the position of independent director, such shareholder shall not nominate candidate for independent director again during his/her term of office;
- (IV) the consent of the nominee shall be obtained before the nominator nominates him/her as the candidate for the independent director. The nominator shall be fully aware of the details of the nominee such as occupation, educational background, professional title, detailed working experiences and all of the concurrent positions and shall provide the opinions on the nominee's qualifications and independence to act as an independent director. The nominator of the independent director shall submit to the Board of Directors the resume of the nominee and the statement related to the qualifications and independence of an independent director;
- (V) The qualification of the nominees of independent directors, including the independence, expertise, experience and capability, shall be reviewed by the Nomination Committee under the Board of Directors;
- (VI) before convening of the shareholders' general meeting to elect independent director, the Board of Directors shall submit the candidate(s) by way of proposal to the shareholders' general meeting for election on the basis of equal number of candidate(s) and independent director(s);

(VII) The appointment of independent directors shall mainly follow the market principle.

Article 132 Independent directors are appointed for the same term as that of the other directors of the Bank and may offer themselves for re-election, while their term of office shall not exceed six years in aggregate.

Article 133 Independent directors shall work for the Bank for at least fifteen working days each year.

Independent directors may appoint other independent directors to attend the board meeting on their behalf, but they shall attend at least two-thirds of total board meeting in person each year.

Article 134 Independent directors shall give statements to the Board of Directors or the Board of Supervisors before they assume their offices, ensuring that they have enough time and energy to perform their duties and undertaking that they will perform duties of diligence.

The opinions of independent directors on the decision of the Bank shall be recorded in the minutes of meeting of the Board of Directors. Where any resolution adopted by the Board of Directors is in violation of the laws, regulations, rules, regulatory documents and the Articles, resulting in serious losses of the Bank, independent directors who did not raise an objection to the resolution shall be liable to compensation according to the law.

Article 135 In addition to the duties and powers of directors vested by the Company Law and other laws, regulations, rules and regulatory documents, independent directors shall have the following duties and powers:

- (I) propose to the Board of Directors to convene an extraordinary general meeting;
- (II) propose to convene a board meeting;
- (III) appoint external auditing and consulting institutions independently;
- (IV) approve significant related party transactions before being examined by the Related Party Transaction Control Committee and being submitted to the Board of Directors for discussion; and engage an intermediary institution to issue an independent financial report as the basis for judgment before independent directors make judgment;
- (V) other duties and powers as stipulated by laws, regulations, rules, regulatory documents and the Articles.

The exercise of the aforesaid duties and powers by independent directors shall obtain the consent of more than half of all the independent directors.

Article 136 Independent directors shall give independent opinions on the following matters to the Board of Directors or at the shareholders' general meeting:

- (I) nomination, appointment and dismissal of directors;

- (II) appointment and dismissal of senior management personnel;
- (III) remunerations of directors and senior management personnel of the Bank;
- (IV) matters which the independent directors consider may prejudice the lawful rights and interests of depositors, minority shareholders and other stakeholders;
- (V) profit distribution plan;
- (VI) matters which may cause material losses to the Bank;
- (VII) legitimacy and fairness of significant related party transactions;
- (VIII) appointment of external auditors;
- (IX) other matters stipulated by laws, regulations, rules, regulatory documents and the Articles.

Independent directors shall express one of the following opinions on the above matters: consent; qualified opinions and reason; objection and reasons; unable to express opinions and the impediments.

Article 137 To ensure the effective performance of the duties and powers by independent directors, the Bank shall provide the following necessary conditions for independent directors:

- (I) The Bank shall ensure that independent directors have the same right to information as other directors;
- (II) The Bank shall provide the working conditions necessary for independent directors to perform their duties;
- (III) When the independent directors are exercising their duties and powers, the relevant personnel of the Bank shall cooperate positively and shall not refuse to act, hinder or conceal anything and shall not interfere with the independent exercise of their powers and duties;
- (IV) The reasonable expenses incurred from engaging intermediary institutions and the reasonable expenses required for exercising the duties and powers by independent directors shall be borne by the Bank.

Article 138 An independent director may resign prior to the expiry of his/her service term. Such independent director shall continue to perform his/her duties until the resignation is approved by the Board of Directors.

When an independent director resigns, he/she shall submit a written resignation to the Board of Directors, and submit a written statement to the most recently held shareholders' general meeting to specify any circumstance related to the resignation or any fact that he/she believes necessary to draw the attention of the Bank's shareholders and creditors.

If the resignation of any independent director causes the number of independent directors to fall below the minimum quorum, the resignation of such independent director shall only become effective when his/her successor has been elected to fill his/her vacancy.

Article 139 Independent directors shall be deemed as conducting a serious dereliction of duty in one of the following circumstances:

- (I) leaking trade secret of the Bank and impairing the lawful interests of the Bank.
- (II) accepting illicit interests during the performance of their duties, or seeking private interests by taking advantage of the independent director status;
- (III) failing to raise an objection despite being fully aware that the resolution of the Board of Directors violates laws, regulations, rules or the Articles;
- (IV) failing to exercise the veto power to the related party transaction which has caused significant loss to the Bank;
- (V) other serious dereliction deemed by the relevant competent authorities such as CBRC and CSRC.

If an independent director has been disqualified by CBRC due to serious dereliction of duty, he/she shall be dismissed from his/her position from the date he/she is disqualified.

Article 140 The Board of Supervisors has the right to propose to the shareholders' general meeting to dismiss the independent director in one of the following circumstances:

- (I) serious dereliction of duty;
- (II) failing to resign from his/her position when he/she is no longer qualified to hold the position of independent director;
- (III) failing to attend board meetings in person for three consecutive times, or fail to attend the meeting in person for two consecutive times or appoint other independent director to attend the meeting on his/her behalf, or attending in person less than two-thirds of total number of board meetings held within one year;
- (IV) other circumstances stipulated by laws, regulations, rules, regulatory documents and the Articles where an independent director are no longer suitable for holding such a position.

The proposal submitted by the Board of Supervisors in respect of the dismissal of an independent director shall only be submitted to the shareholders' general meeting for consideration after such proposal has been adopted by more than two-thirds of all the supervisors. Before the Board of Supervisors submits the dismissal proposal, the independent director may explain relevant circumstance to the Board of Supervisors, and make presentation and defend himself/herself.

Except the above circumstances and the circumstances under which laws, regulations, rules, regulatory documents and the Articles prohibit a person from acting as director, an independent director shall not be removed from office without any reason before his/her term of office expires. If an independent director is removed from office before his/her term of office expires, the Bank shall disclose the same as a special disclosure matter. If the independent director being removed from office considers that the reasons for his/her removal are inappropriate, he/she may make a public statement.

Article 141 If the Board of Supervisors proposes to the shareholders' general meeting to dismiss an independent director, it shall issue a written notice to the independent director within one month prior to the shareholders' general meeting. Such independent director shall have the right to express his/her opinion orally or in writing before voting, and shall have the right to submit such opinion to CBRC five days prior to the shareholders' general meeting. The shareholders' general meeting shall vote after reviewing the opinion expressed by the independent director.

Article 142 The Bank shall pay compensation and allowance to independent directors. Payment standard shall be formulated by the Board of Directors, and discussed and approved at the shareholders' general meeting. Except the above compensation and allowance, independent directors shall not obtain other additional benefits from the Bank and substantial shareholders or authorities and personnel who have interests in the Bank.

SECTION 3 THE BOARD OF DIRECTORS

Article 143 The Bank has established the Board of Directors. Each term of the Board of Directors is three years. The Board of Directors shall be accountable to the shareholders' general meeting.

Article 144 The number of the members of the Board of Directors shall be no less than 11 and no more than 19. Independent directors shall account for no less than one-third of the directors. The Board of Directors has one chairman and one vice chairman. The chairman and the vice chairman shall be elected and removed by more than half of all the directors.

The president and other members of senior management may act as directors. However, the directors who act as the chairman or other members of senior management and the directors who are staff representatives shall not in aggregate account for more than one-third of all the directors.

The roles of the chairman and the president of the Bank shall be segregated.

Article 145 The Board of Directors shall exercise the following duties and powers:

- (I) to convene the shareholders' general meetings and report on its work to the shareholders' general meetings;
- (II) to implement the resolutions passed at the shareholders' general meetings;
- (III) to determine the Bank's business plans and investment proposals;

- (IV) to formulate the Bank's proposals on annual financial budgets, financial statements and risk-based capital allocation and to decide on major changes in and adjustments to their implementation;
- (V) to formulate the Bank's profit distribution proposals and loss make-up proposals;
- (VI) to formulate proposals on the increase or reduction of the Bank's registered capital, the issue of bonds or other securities and the listing;
- (VII) to draw up plans for material acquisitions and repurchases by the Bank;
- (VIII) to formulate proposals for the merger, division or dissolution or change of form of the Bank;
- (IX) to formulate the related party transaction management system, to consider and approve the major related party transactions other than those required to be approved by the shareholders' general meetings in accordance with laws, administrative regulations, department rules and the rules of the securities regulatory authorities of the jurisdiction where the shares of the Bank are listed, and to report to the shareholders' general meetings on the implementation of the related party transaction management system and the related party transactions;
- (X) to formulate the Bank's operation and development strategies and capital plans, supervise the implementation of strategies and assume ultimate responsibility for capital management;
- (XI) to consider and approve matters within the scope authorized by the shareholders' general meeting, such as investment, asset acquisitions and disposals, asset pledge and guarantees;
- (XII) to decide on the establishment of the Bank's internal management departments and the Bank-wide operation and management system reform plans;
- (XIII) to appoint or remove the Bank's president and secretary of the Board of Directors; and to appoint or remove the Bank's senior management personnel, including vice president, the person in charge of finance and president assistant, and other persons required, in the opinion of the Board of Directors, to be appointed or removed by the Board of Directors according to the recommendations of the president, and to determine their remunerations, rewards and punishments;
- (XIV) to decide on the Bank's basic management systems, which principally relate to human resources, financial matters and remuneration, and its policies on risk tolerance, risk management and internal control;
- (XV) to formulate the amendment plans for the Articles;
- (XVI) to establish the Bank's information disclosure system, to manage the information disclosure matters of the Bank, and to assume ultimate responsibility for the truthfulness, accuracy, completeness and timeliness of the Bank's accounting and financial reports;
- (XVII) to monitor the performance of duties by senior management personnel and ensure their effective performance of duties;

- (XVIII) to hear the president's work report and inspect the president's work;
- (XIX) to propose at the shareholders' general meeting to appoint or replace the accounting firm which undertakes auditing work for the Bank;
- (XX) to assess and improve the Bank's corporate governance on a regular basis;
- (XXI) to protect the lawful interests of depositors and other stakeholders;
- (XXII) to establish mechanisms of identifying, reviewing and managing conflicts of interest between the commercial bank and shareholders, especially major shareholders;
- (XXIII) to exercise other duties and powers conferred by laws, regulations, department rules, regulatory documents, the Articles and the shareholders' general meeting.

Article 146 In the case of disposal of any fixed assets by the Board of Directors, if the aggregate of the expected value of the fixed assets proposed to be disposed of and the value of the fixed assets which had been disposed of within four months immediately preceding such proposal for disposal exceeds thirty-three percent of the fixed assets value shown in the most recent balance sheet reviewed by the shareholders' general meeting, the Board of Directors shall not dispose or approve the disposal of such fixed assets without the approval of the shareholders' general meeting.

Disposal of fixed assets referred to in this Article includes the transfer of interests of certain assets, but excludes the provision of fixed assets as pledges to any guarantees.

The validity of transactions conducted by the Bank in relation to the disposal of fixed assets shall not be affected notwithstanding any violation of the requirements set out in the first paragraph of this Article.

Article 147 The chairman shall exercise the following duties and powers:

- (I) to preside over shareholders' general meetings and to convene and preside over board meetings;
- (II) to supervise and review the implementation of the resolutions of the board meetings;
- (III) to sign the bonds and other marketable securities issued by the Bank;
- (IV) to sign important documents of the Board of Directors and the documents required to be signed by the legal representative of the Bank;
- (V) to exercise the duties and powers of the legal representative;
- (VI) in the event of an occurrence of any severe natural disaster or any other force majeure event, to exercise his special power of disposition in relation to the affairs of the Bank in compliance with the legal provisions and in the interests of Bank and, subsequently report such disposition to the Board of Directors and shareholders' general meeting;

(VII) to exercise other duties and powers conferred by laws, regulations, rules, regulatory documents, the Articles and the Board of Directors.

Article 148 The vice chairman shall assist the chairman in performing duties. In the event that the chairman fails to or is unable to perform his duties, his duties shall be performed by the vice chairman on his behalf, failing which, a director shall be elected by more than half of all the directors to perform his duties.

Article 149 The Board of Directors of the Bank shall make a statement at the shareholders' general meeting as to the qualified audit reports issued by certified public accountants in respect of the Bank's financial reports.

Article 150 The Board of Directors shall establish strict examination and approval procedures by setting the scope of authority for conducting investment, purchase and sale of assets, asset pledge, guarantee and related party transactions. Material investment projects shall be examined by experts and other professionals as arranged by the Board of Directors, and shall be submitted to the shareholders' general meeting for approval if required under the Articles.

Article 151 The Board of Directors shall hold at least one regular meeting quarterly, and the board meetings shall be convened by the chairman. Notice of board meeting shall be sent to all directors and supervisors in writing at least fourteen days before the date of the meeting.

Article 152 An extraordinary board meeting shall be convened and presided over by the chairman within ten days, if:

- (I) it is proposed by the shareholders who individually or jointly hold more than ten percent of the shares of the Bank;
- (II) it is jointly proposed by more than one-third of directors;
- (III) it is jointly proposed by more than half of independent directors;
- (IV) it is proposed by the Board of Supervisors;
- (V) it is deemed necessary by the chairman;
- (VI) it is proposed by the president;
- (VII) other circumstances stipulated by laws, regulations, departmental rules, regulatory documents and the Articles.

Notice of extraordinary board meeting shall be given in writing to all directors no later than seven days before the date of the meeting.

Article 153 If more than two independent directors consider the information insufficient or the proof indefinite, they may jointly propose in writing to the Board of Directors for the delay of the board meeting or of the consideration of the matters, and the Board of Directors shall approve such proposal.

Article 154 Directors shall exercise their duties and powers in the form of board meetings. A board meeting shall be held only if it has a quorum of more than half of the directors. Resolutions passed at the board meeting must be approved by more than half of the directors.

The voting of a board resolution at a board meeting shall be held by show of hands, poll, or other methods permitted by laws, regulations, department rules and regulatory documents. Each attending director has one vote in the voting of board resolutions. **In the case of equal votes, the chairman shall have an additional vote.**

Article 155 The resolutions of the Board of Directors shall be classified into ordinary resolutions and special resolutions.

An ordinary resolution shall be passed by more than half of all the directors. An ordinary resolution approving related party transactions shall be passed by more than half of disinterested directors.

A special resolution shall be passed by more than two-thirds of all the directors. The following matters shall be passed through a special resolution:

- (I) profit distribution plans;
- (II) investment plans such as material equity investments;
- (III) material asset acquisitions (disposals or writing off);
- (IV) appointment or removal of senior management personnel;
- (V) annual risk tolerance;
- (VI) donations;
- (VII) plans in relation to the replenishment of the Bank's registered capital and the issue of securities;
- (VIII) plans in relation to the Bank's merger, division or liquidation;
- (IX) amendments to the Bank's articles of association;
- (X) annual operational plans and financial budgets;
- (XI) matters related to substantial changes in shareholding;
- (XII) matters related to financial restructuring;

(XIII) other matters that in the opinion of more than half of all the directors are material to the Bank and that are required to be passed through voting by more than two-thirds of all the directors.

Article 156 The following matters shall not be considered by the Board of Directors at a meeting convened through circulation of written proposal:

- (I) profit distribution plans;
- (II) material investment plans;
- (III) material asset disposal plans;
- (IV) appointment or removal of senior management personnel;
- (V) risk-based capital allocation plans;
- (VI) financial budgets, financial statements and plans for loss make-up;
- (VII) plans in relation to the capital replenishment and the issue of securities;
- (VIII) plans in relation to material acquisition or repurchase of the Bank's shares or the Bank's merger, subdivision or liquidation;
- (IX) matters related to substantial changes in shareholding;
- (X) matters related to financial restructuring;
- (XI) other material matters that in the opinion of the Board of Directors are inappropriate to be voted at a meeting convened through circulation of written proposal.

Article 157 A board meeting may be held through on-the-spot meeting, communication methods such as telephone and video conference, or circulation of written proposal. Regular board meetings shall be held through on-the-spot meeting, which shall be presided over by the chairman of the meeting. Extraordinary board meetings shall be held through on-the-spot meeting, if possible, and may be held through other methods, at which resolutions may be passed, subject to the full and adequate expression of opinions by the directors.

Article 158 If any director or any of his associates (as defined in the Hong Kong Listing Rules) has material interests in the matters proposed to the Board of Directors, such director shall abstain from voting in relation to such matters at the board meeting. Such director shall not exercise his voting rights nor shall he vote on behalf of any other directors in relation to such matter, and he shall not be counted in the quorum of the meeting, unless otherwise provided by laws, regulations, department rules, regulatory documents, and the rules of the securities regulatory authorities of the jurisdiction where the shares of the Bank are listed.

Resolution approving such matters shall be passed by more than half of the directors other than those having material interests in the matters at the board meeting.

In the event that the number of the directors who have no material interests in the matters is less than three, the Board of Directors shall propose the relevant resolution to the shareholders' general meeting for consideration. The Board of Directors shall explain its consideration of such resolution when it proposes such resolution to the shareholders' general meeting for consideration, and shall keep records of the opinions of the directors without material interests in the matters.

Article 159 Directors shall attend the board meeting in person. If a director is unable to attend the meeting, he may appoint another director of the same class in writing to attend on his behalf.

The proxy form shall state the name of the proxy, the relevant matters, scope of authorization and the validity period, and shall be signed or sealed by the appointor.

The director acting as proxy shall exercise his appointor's rights within the scope of authorization. If a director does not attend the board meeting and fails to appoint a proxy to attend the meeting, he shall be deemed to have waived his voting rights at such meeting.

Article 160 The directors shall sign and take responsibility for the resolutions of the Board of Directors. Where a resolution of the Board of Directors is in violation of laws, administrative regulations or the Articles, thereby causing serious losses to the Bank, the directors who took part in the resolution shall be liable to the Bank for damages. However, where a director can prove that he had expressed his opposition to such resolution when it was put to the vote, and that such opposition was recorded in the minutes of the meeting, such director may be relieved from such liability.

Article 161 The Board of Directors shall keep minutes of its meetings. The directors attending a meeting shall have the right to request that their opinions expressed at the meeting be kept in the minutes. The directors attending the meeting and the person taking minutes shall sign the minutes of the meeting.

The minutes of the board meeting shall be kept as record permanently by the office of the Board of Directors.

Article 162 The minutes of the board meeting shall include the following:

- (I) the date and place of the meeting and the name of the convener;
- (II) the names of the directors attending the meeting and the names of the directors (proxies) appointed by other directors to attend the board meeting;
- (III) the agenda of the meeting;
- (IV) the main points of the speeches of the directors;
- (V) the methods and results of the voting for each proposal (the voting results shall state the numbers of the votes of for, against or abstention).

Article 163 If a resolution of the Board of Directors of the Bank is in violation of laws and administrative regulations, it shall be invalid.

If the convening procedure or voting method violates any law, administrative regulation or the Articles, or if a resolution is in violation of the Articles, the shareholders shall have the right to petition the people's court to revoke such resolution within sixty days from the date on which the resolution is passed.

If a shareholder brings a lawsuit in accordance with the foregoing provision, the Bank may petition the people's court to require such shareholder to provide corresponding guarantee.

If a resolution of the Board of Directors pursuant to which the Bank has completed registration changes is declared invalid or revoked by a court, the Bank shall apply to the company registration authority for the revocation of registration changes.

Article 164 The Board of Directors shall establish the office of the Board of Directors, which shall handle the preparation for shareholders' general meetings, board meetings and meetings of the special committees under the Board of Directors, information disclosure, and other daily matters delegated by the Board of Directors and the special committees under the Board of Directors.

Article 165 The Board of Directors shall formulate the rules of procedure of the Board of Directors, including the meeting notice, way of convening the meeting, documents preparation, way of voting, proposal submission mechanism, meeting minutes and endorsement, and authorization rules of the Board of Directors, in order to improve work efficiency and ensure reasonable decision-making, and such rules shall be submitted to the shareholders' general meeting for discussion and approval.

SECTION 4 SECRETARY OF THE BOARD OF DIRECTORS

Article 166 The Board of Directors shall appoint a secretary of the Board of Directors, who shall be nominated by the chairman and appointed or removed by the Board of Directors. The qualifications of the secretary of the Board of Directors shall pass the examination of CBRC.

The secretary of the Board of Directors is a member of senior management of the Bank, who shall be accountable to and report to the Board of Directors. The term of office of the secretary of the Board of Directors is three years, and may be renewed upon expiration.

Article 167 The secretary of the Board of Directors shall have necessary expertise and experience.

Provisions of the Articles in relation to the qualifications of directors shall apply to the secretary of the Board of Directors.

Article 168 The main duties of the secretary of the Board of Directors are:

- (I) preparing and submitting the reports and documents issued by the Board of Directors and shareholders' general meetings to the relevant government authorities;
- (II) preparing for board meetings and shareholders' general meetings, and taking and keeping the minutes of the meetings and the documents for the meetings;

- (III) handling the information disclosure matters of the Bank, monitoring the formulation and implementation of the Bank's information disclosure management system and material information internal reporting system, causing the Bank and relevant parties to implement the information disclosure system in accordance with law, handling the disclosure of regular reports and interim reports with stock exchanges in accordance with the relevant rules, and ensuring the timely, accurate, lawful, true and complete information disclosure by the Bank;
- (IV) maintaining confidentiality in respect of the Bank's information disclosure, formulating confidentiality measures, causing the directors, the supervisors, senior management personnel and relevant persons with knowledge to keep in confidence such information before disclosure, and taking immediate remedies and reporting to stock exchanges upon the leak of insider information;
- (V) maintaining the communication between the Bank and relevant parties and stock exchanges and other securities regulatory authorities;
- (VI) coordinating the relationship between the Bank and investors, receiving investor visits, answering investor enquiries, and providing investors with disclosed information of the Bank;
- (VII) maintaining the shareholder register, the register of directors, supervisors and senior management personnel and the information regarding the shareholding of directors, supervisors and senior management personnel in the Bank;
- (VIII) ensuring that the persons who are entitled to access to relevant documents and records of the Bank obtain such documents and records in a timely way;
- (IX) ensuring that the Bank has completed organizational documents and records;
- (X) other matters as required by laws, regulations, department rules, regulatory documents and the Articles as well as those authorized by the Board of Directors.

Article 169 Directors or senior management personnel of the Bank may serve as the secretary of the Board of Directors of the Bank. A certified public accountant of any accounting firms or a lawyer of any law firms that are engaged by the Bank may not act as the secretary of the Board of Directors.

Article 170 In the case of a director who serves as the secretary of the Board of Directors concurrently, when an act is required to be done separately by a director and the secretary of the Board of Directors, he may not conduct such act in both capacities.

SECTION 5 SPECIAL COMMITTEES UNDER THE BOARD OF DIRECTORS

Article 171 The Board of Directors of the Bank has established special committees, being the Strategy Committee, the Audit Committee, the Risk Management Committee, the Related Party Transaction Control Committee, the Nomination Committee and the Remuneration Committee. The Bank may establish additional special committees when necessary.

All special committees shall be comprised of directors, and each committee shall have at least three members. The majority of the Audit Committee, Nomination Committee, and the Remuneration Committee shall be independent directors, while independent directors shall account for an appropriate proportion in the Related Party Transaction Control Committee, and none of its member shall be a director nominated by the Controlling Shareholder. Members of each special committee shall be directors with expertise and working experience commensurate with the duties of relevant special committees. Members of the Audit Committee shall have expertise and working experience in relation to finance, audit or accounting.

Each special committee shall have one chairman and, based on the need, may have one vice chairman. In principle, the chairman of each special committee shall not be the chairman of other special committees. The Audit Committee, Nomination Committee, Remuneration Committee and Related Party Transaction Control Committee shall be chaired by an independent director. The chairman of the Risk Management Committee shall have experience in the assessment and management of various risks.

Article 172 The main duties of the Strategy Committee are: to formulate the business and management objectives and long-term development strategy, and supervise and examine the implementation of annual business plans and investment plans.

Article 173 The main duties of the Audit Committee are: to review the risk and compliance status, accounting policies, financial reporting process and financial positions of the Bank; to be responsible for the Bank's annual audit work, propose the appointment and change of external auditors, prepare judgment reports on the truthfulness, accuracy, completeness and timeliness of audited financial reports and submit the reports to the Board of Directors for consideration.

Article 174 The main duties of the Risk Management Committee are: to supervise the risk control conducted by the senior management in respect of credit, liquidity, market, operational, compliance and reputation risks, assess regularly the risk policies, management condition and risk tolerance of the Bank, and advise on the improvement of the risk management and internal control of the Bank.

Article 175 The main duties of the Related Party Transactions Control Committee are: to be responsible for the management, examination and approval of related party transactions, and control risks of related party transactions.

Article 176 The main duties of the Nomination Committee are: to draw up the election procedure and standard for directors and senior management personnel, conduct the initial examination of the qualifications and conditions of directors and senior management personnel and propose to the Board of Directors.

Article 177 The main duties of the Remuneration Committee are: to review the remuneration management system and policies of the Bank, propose plans on the remuneration of the directors and senior management personnel, make suggestions regarding remuneration plan to the Board of Directors and supervise the implementation.

Article 178 Each of the special committees shall be accountable to the Board of Directors and provide professional advice for the Board of Directors or make decisions on professional matters as authorized by the Board of Directors, and their proposals shall be submitted to the Board of Directors for review.

Article 179 Each of the relevant special committees shall communicate with the senior management and departments regarding the operation and risk profile of the Bank by giving advice and suggestions.

Article 180 The rules of procedure of each of the special committees under the Board of Directors shall be separately formulated by the Board of Directors.

CHAPTER 9 SENIOR MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT

Article 181 The Bank shall appoint one president, certain number of executive vice president and assistants to president. Executive vice presidents and assistants to president shall assist the president. The Bank's president, executive vice presidents, person in charge of finance and assistants to president shall be appointed or removed by the Board of Directors. The qualifications of the Bank's president, executive vice presidents, person in charge of finance and assistants to president shall pass the assessment of the CBRC.

The senior management comprises the Bank's president, executive vice president, assistants to president, person in charge of finance and other senior management personnel identified by regulatory authorities.

The senior management shall carry out operation and management in accordance with the Articles and the authorization of the Board of Directors, to ensure that the operation of the Bank is in line with the development strategies, risk profile and other policies formulated by the Board of Directors. The senior management shall be accountable to the Board of Directors and supervised by the Board of Supervisors.

Article 182 The term of office of the president shall be three years and may be re-appointed.

Article 183 The president shall be accountable to the Board of Directors and shall perform the following functions and powers:

- (I) taking charge of the operation management of the Bank, implementing the board resolutions and reporting the work to the Board of Directors;
- (II) submitting operation plans and investment proposals to the Board of Directors and implementing the same upon approval from the Board of Directors;
- (III) drafting proposals on establishing the Bank's internal management organs;
- (IV) drafting the basic management system of the Bank;
- (V) formulating specific regulations of the Bank;
- (VI) proposing to the Board of Directors for the appointment or removal of executive vice presidents, person in charge of finance and president assistants and other senior management personnel recognized by CBRC.
- (VII) appointment or removal of management personnel other than those who shall be engaged or removed by the Board of Directors;

(VIII) adopting emergency measures in the best interests of the Bank on occurrence of significant events and other emergency conditions and promptly report them to CBRC, the Board of Directors and the Board of Supervisors;

(IX) other functions and powers conferred by the Articles or the Board of Directors.

The president shall attend board meetings.

Article 184 The president shall formulate detailed work rules of president and submit the same to the Board of Directors for approval before implementation.

Article 185 The president may resign before the expiration of his/her term of office but need to complete the relevant examination procedures for resignation.

Article 186 The senior management personnel shall comply with the fiduciary principles to perform their duties prudently and diligently, and shall not take advantage of business opportunities of the Bank for the benefit of themselves or others and shall not accept benefits of the transactions related to the Bank and work part-time in other economic organizations.

The president and the executive vice-president shall neither change the resolution of the shareholders' general meeting and the Board of Directors, nor exceed their scope of authorization in exercising the authority of office.

Article 187 The senior management personnel shall, upon request of the Board of Directors, report to the Board of Directors on the operating results, important agreements, financial conditions, risk conditions and operating prospects of the Bank promptly, accurately and completely.

The senior management shall establish a system for information reporting to the Board of Directors, its special committees and the Board of Supervisors and clarify the types, content, time and forms of information for reporting to ensure that directors and supervisors can obtain accurate information in a timely manner.

Article 188 The senior management personnel shall accept the supervision of the Board of Supervisors and regularly provide the operating results, important agreements, financial conditions, risk conditions and operating prospects of the Bank for the Board of Supervisors, and shall neither obstruct nor hinder the Board of Supervisors from conducting inspection and supervision according to its authority of office.

Article 189 The senior management shall set up and optimize various meeting systems and draw up the rules of procedure which shall be reported to the Board of Directors for approval before being implemented. The senior management personnel shall prepare the minutes for the meeting convened and the minutes shall be reported to the Board of Supervisors.

Article 190 The operation and management activities of the senior management personnel within their terms of reference shall not be interfered. The senior management personnel has the right to request the Board of Supervisors to raise an objection to any action of the Board of Directors which is in violation of the rules and interferes with the operation and management activities and report to the CBRC.

The Board of Directors shall discuss and make decision promptly for the matters submitted by the senior management personnel for approval.

Article 191 The senior management personnel shall bear the responsibilities for compensation in case of violating the stipulations of laws, regulations, rules, regulatory documents, or the Articles in the course of performing the functions of office of the Bank, which has caused losses to the Bank.

CHAPTER 10 SUPERVISORS AND BOARD OF SUPERVISORS

SECTION 1 SUPERVISORS

Article 192 The members of the Board of Supervisors of the Bank shall be taken up by the shareholder representatives, the external supervisors and the staff representatives. Not less than one-third of the supervisors shall be taken up by the staff representatives and by the external supervisors of the Bank.

Article 193 The directors, the president and other senior management personnel shall not be the supervisors simultaneously.

Article 194 Shareholder representatives shall be nominated and elected as supervisors in accordance with the nomination method and election procedure of directors.

Article 195 Staff representatives in the Board of Supervisors shall be nominated by the Board of Supervisors or the labor union of the Bank, and elected, removed and replaced by the Bank’s staff at the staff representatives’ general meeting, the staff’s general meeting or through other means of democratic election.

Article 196 The term of office of supervisors is three years. Upon expiry of the term, the supervisors may be re-elected and re-appointed.

In the event that the re-election of a supervisor fails to take place on a timely basis upon expiry of the term of office or a supervisor resigns during his term of office which results in the number of members of the Supervisory Committee falling below the quorum, the original supervisor shall continue to perform his duty as a supervisor in accordance with laws, regulations, rules, regulatory documents and the Articles before a new supervisor is elected and assumes office.

Article 197 Supervisors shall actively participate in supervision and inspection activities organized by the Board of Supervisors, conduct independent inspection and collect evidence in accordance with laws, and raise questions and give supervision advice practically.

Supervisors shall participate in supervision work for not less than fifteen working days annually for the Bank. Supervisors shall attend at least two-thirds of the Board of Supervisors’ meetings in person each year.

Any supervisor neither attending the Board of Supervisors’ meetings in person nor appointing another supervisor to attend on his/her behalf twice consecutively shall be deemed being unable to perform his/her duties, and the Board of Supervisors shall propose to the shareholders’ general meeting or propose to make use of the staff democratic procedure to replace such supervisor.

Article 198 Supervisors shall attend the Board of Supervisors' meetings in person. If a supervisor is unable to attend the meeting due to certain reasons, he/she may appoint another supervisor in writing to attend on his/her behalf, while each supervisor shall not be appointed by more than two supervisors in each meeting. The proxy form shall state the name of the proxy, the relevant matters, scope of authorization and validity period, and shall be signed or sealed with chop by the appointor.

Article 199 The supervisor may resign prior to the expiry of the term of office. The supervisor shall submit the written resignation report to the Board of Supervisors.

Except under the situation stipulated by Paragraph 2 of Article 197, the supervisor's resignation shall take effect immediately when the resignation report is submitted to the Board of Supervisors.

Article 200 Supervisors shall warrant that the information disclosed by the Bank is true, accurate and complete.

Article 201 Supervisors may attend the Board of Directors' meeting, meeting of special committee under the Board of Directors and senior management personnel's meeting and have the right to make queries or proposals on the matters to be resolved by the Board of Directors.

The supervisors attending the above meetings shall report to the Board of Supervisors on the situation of the meeting.

Article 202 Supervisors shall not make use of their connection to damage the benefits of the Bank, and shall bear the responsibility for compensation in case of causing losses to the Bank.

Article 203 The supervisor shall bear the responsibility for compensation, in case of violating the stipulations of the laws, regulations, rules, regulatory documents or the Articles in the course of performing the functions of office of the Bank, which has caused losses to the Bank.

SECTION 2 EXTERNAL SUPERVISORS

Article 204 The external supervisors of the Bank refer to the supervisors having not assumed any functions of office of the Bank other than that of supervisors and without any relationship with the Bank and the major shareholders, which may affect their independent and objective judgment.

The Board of Supervisors of the Bank shall include at least two external supervisors.

The qualifications for acting as the external supervisors shall be examined and verified by CBRC.

The qualifications and restrictions for acting as the external supervisors of the Bank are the same as those of the independent directors.

Article 205 External supervisors shall be nominated and elected in accordance with the nomination method and election procedure of independent directors.

Article 206 The external supervisor shall make declaration to the Board of Supervisors before assuming office to warrant that he/she shall have sufficient time and energy to perform his/her duties and undertake that he/she shall be diligent and dutiful.

Article 207 The external supervisor shall be entitled to the rights of the supervisor, and supervise the Board of Directors and senior management personnel of the Bank and proceed with the supervision within the terms of reference of the Board of Supervisors resolved and organized by the Board of Supervisors.

Article 208 More than half of the external supervisors may propose to the Board of Directors to convene an extraordinary general meeting. In the event that the Bank has two external supervisors only, all external supervisors shall agree unanimously to propose to convene an extraordinary general meeting.

Article 209 The external supervisor shall pay particular attention to the overall interests of the depositors and the Bank in the course of performing his/her duties.

Article 210 The Bank shall pay the external supervisor the remuneration and allowances with reference to the payment standards for the independent director.

Article 211 The external supervisor shall work annually not less than fifteen working days for the Bank.

The external supervisor may appoint another external supervisor to attend the Board of Supervisors' meeting but shall attend not less than two-thirds of all Board of Supervisors' meetings in person annually.

Article 212 The external supervisor's resignation shall be made with reference to that of the independent director.

Article 213 The external supervisor having committed one of the following shall be deemed to have committed gross dereliction of duty:

- (I) leakage of the commercial secrets of the Bank with damage to the lawful benefits of the Bank;
- (II) acceptance of improper benefits in the course of performing his/her duties;
- (III) pursuing own personal gains by making use of his/her position of the external supervisor;
- (IV) act of concealing the problems discovered in the course of supervision and inspection, with significant losses caused to the Bank;
- (V) other acts of gross dereliction of duty identified by CBRC.

Article 214 The Board of Supervisors shall propose to the shareholders' general meeting to remove the external supervisor having committed one of the following:

- (I) gross dereliction of duty;

- (II) failure to comply with the qualifications and conditions for holding the position of the external supervisor due to changes of functions of office and having not submitted his/her resignation;
- (III) frequency of attending the Board of Supervisors' meetings in person less than the two-thirds of all Board of Supervisors' meetings in a year;
- (IV) other situations of being inappropriate to continue to act as the external supervisor stipulated by the laws, regulations, rules, regulatory documents and the Articles.

The resolution for the proposal to remove the external supervisors by the Board of Supervisors shall be passed by more than two-thirds of all supervisors before proposing to the shareholders' general meeting for consideration. The external supervisor may explain and make a statement to the Board of Supervisors concerning the relevant situation and defend himself/herself before the Board of Supervisors submits the removal proposal.

The Board of Supervisors proposing to the shareholders' general meeting for the removal of the external supervisor shall issue a written notice to the external supervisor concerned within one month before the shareholders' general meeting is convened. The external supervisor shall be entitled to state his/her oral or written opinion before the voting is made and to report such opinion to CBRC five days before the shareholders' general meeting is convened. The shareholders' general meeting shall vote after considering the opinion stated by the external supervisor.

SECTION 3 BOARD OF SUPERVISORS

Article 215 The Bank shall set up the Board of Supervisors. Each term of office of the Board of Supervisors shall be three years and may be re-elected and re-appointed, while the term of office of external supervisors in the Bank shall not exceed six years in aggregate.

The Board of Supervisors of the Bank shall not have less than seven but shall not exceed eleven members.

The Board of Supervisors shall have a chairman and a vice-chairman. The appointment and removal of the chairman and the vice-chairman of the Board of Supervisors shall be adopted in the voting by more than two-thirds of the members of the Board of Supervisors.

The chairman of the Board of Supervisors shall be a professional with expertise and working experience in at least one of the areas of financial affairs, auditing, finance or law.

Article 216 The Board of Supervisors shall exercise the following authority:

- (I) to examine the regular reports of the Bank compiled by the Board of Directors and submit its opinion of examination in writing;
- (II) to supervise the conduct of the directors and senior management personnel in performing the functions of office of the Bank, and propose the removal of such directors and senior management personnel violating the laws, regulations, rules, regulatory documents, the Articles or the resolutions of the shareholders' general meeting;

- (III) to request the directors and senior management personnel to rectify their act of damaging the benefits of the Bank;
- (IV) to verify the financial information on the financial report, business report and profit allocation scheme which the Board of Directors has proposed to submit to the shareholders' general meeting, and may appoint the certified public accountant and the practising auditor in the name of the Bank to help to re-examine the doubts thus discovered;
- (V) to inspect the finance of the Bank;
- (VI) to inspect and supervise the operating decision, risk management and internal control of the Bank, and supervise the rectification;
- (VII) to query the directors, the chairman of the Board of Directors, the president and other senior management personnel;
- (VIII) to propose to convene an extraordinary general meeting, and convene and preside over the shareholders' general meeting in the event that the Board of Directors has failed to convene and preside over the shareholders' general meeting as stipulated by the Articles;
- (IX) to attend the Board of Directors' meeting;
- (X) to make proposals to the shareholders' general meeting;
- (XI) to represent the Bank in negotiating with directors and to initiate legal proceedings against directors and senior management personnel according to the provisions of the laws and the Articles;
- (XII) to conduct investigation on becoming aware of any unusual operating situation of the Bank; and if necessary, may employ the professional organs including the accounting firm and the legal firm to assist in its work;
- (XIII) to supervise the Board of Directors in establishing sound operational philosophy and value standards and formulating development strategies in line with the practice of the Bank;
- (XIV) to regularly evaluate the effectiveness, rationality and efficiency of the development strategy formulated by the Board of Directors and prepare evaluation reports;
- (XV) to supervise the election procedure for directors;
- (XVI) to conduct comprehensive evaluation on the performance of duties by directors, supervisors and senior management personnel;
- (XVII) to supervise the remuneration management system and policy of the Bank and the effectiveness and rationality of the remuneration plan of senior management personnel;
- (XVIII) to regularly communicate with the CBRC;

(XIX) other functions and powers stipulated by the laws, regulations, rules, regulatory documents and the Articles and those conferred by the shareholders' general meeting.

Article 217 In the course of performing its duties, the Board of Supervisors shall be entitled to understand the situation through the relevant personnel and organs of the Bank. The relevant personnel and organs of the Bank shall comply with same accordingly.

In the course of performing its duties, the Board of Supervisors shall have the right to request the Board of Directors and senior management to provide necessary information such as information disclosure and audit information.

In the course of performing its duties, the Board of Supervisors shall be entitled to employ the professionals including the lawyer, the certified public accountant and the practising auditors to provide services and professional advice, and the reasonable costs thus incurred shall be borne by the Bank.

Article 218 The Board of Supervisors shall be entitled to the right to know, the right to propose and the right to report granted by the laws and regulations. The Bank shall take measures to safeguard the supervisors' right to know and provide the Board of Supervisors with relevant information and data promptly as stipulated.

When the Board of Directors, senior management and their members are found to have violated the laws, rules, regulations and the Articles of the Bank, the Board of Supervisors shall require them to proceed with rectifications within a designated period and propose to claim for the liabilities of relevant responsible persons. Whenever the Board of Directors, senior management and their members reject the resolutions, opinions and suggestions of the Board of Supervisors or postpone corresponding measures, the Board of Supervisors shall have the right to report to the shareholders' general meeting, propose to convene an extraordinary general meeting or, if necessary, report to the CBRC.

Article 219 The chairman of the Board of Supervisors shall exercise the following authority:

- (I) to convene and preside over the Board of Supervisors' meetings;
- (II) to supervise and inspect the execution of the resolutions of the Board of Supervisors;
- (III) to decide after consideration and sign the Board of Supervisors' reports, resolutions and other important documents;
- (IV) to report to the shareholders' general meeting on behalf of the Board of Supervisors;
- (V) to organize and perform the duties of the Board of Supervisors;
- (VI) other functions and powers stipulated by the laws, regulations, rules, regulatory documents and the Articles and those conferred by the Board of Supervisors.

Article 220 The vice-chairman of the Board of Supervisors shall assist the chairman of the Board of Supervisors on the job. In the event that the chairman of the Board of Supervisors fails to or is unable to perform his/her functions of office, the vice-chairman of the Board of Supervisors shall exercise the functions of office on his/her behalf. In the event that the vice-chairman of the Board of Supervisors fails to or is unable to perform his/her functions of office, more than half of the supervisors shall jointly elect a supervisor to perform the functions of office.

Article 221 The method of discussion of the Board of Supervisors shall be the Board of Supervisors' meeting.

The method of passing the resolutions of the Board of Supervisors shall be: voting by show of hands, voting by open ballot or other method of voting permitted by the laws, regulations, rules, and regulatory documents. Each supervisor shall have one vote.

Article 222 The Board of Supervisors shall at least convene one regular meeting quarterly. The notice of meeting shall be sent to all supervisors in writing ten days before convening the meeting.

Article 223 In case of having one of the following situations, the chairman of the Board of Supervisors shall convene an extraordinary Board of Supervisors' meeting within ten days:

- (I) upon the proposal of the chairman of the Board of Supervisors;
- (II) upon the joint proposal of more than one-third of the supervisors;
- (III) upon the proposal of all the external supervisors;
- (IV) other situations stipulated by the laws, regulations, rules, regulatory documents and the Articles.

In the event of convening an extraordinary Board of Supervisors' meeting, the Board of Supervisors shall inform all supervisors in writing seven days before the meeting is convened.

Article 224 The Board of Supervisors' meeting may be convened in the same method of the Board of Directors' meeting stipulated in Article 159.

Article 225 The Board of Supervisors' meeting shall be held only upon the presence of more than half of the supervisors. The resolutions of the Board of Supervisors shall be passed by more than two-thirds of all supervisors in the voting.

Where the information of the proposal of the Board of Supervisors' meeting is deemed by all external supervisors as insufficient or without explicit evidence, the external supervisors can jointly request the Board of Supervisors in writing to postpone the Board of Supervisors' meeting or postpone considering the relevant matter and the Board of Supervisors shall accept accordingly.

Article 226 The Board of Supervisors shall consider the proposal of each supervisor. The supervisor shall sign on the resolution of the Board of Supervisors and be held responsible for it.

Article 227 The minutes shall be taken for the Board of Supervisors' meeting. The supervisors shall be entitled to request to have some sort of descriptive record of his/her saying at the meeting. The minutes of the Board of Supervisors' meeting as the file of the Bank shall be kept permanently by the office of the Board of Supervisors.

Article 228 There shall be an office under the Board of Supervisors as its working organ. The staff employed by the office of the Board of Supervisors shall possess relevant professional knowledge to ensure the performance of the supervision functions of the Board of Supervisors.

Article 229 The Board of Supervisors shall formulate its rules of procedure, including the meeting notice, way of convening meeting, documents preparation, way of voting, proposal submission mechanism, meeting minutes and endorsement. It shall also specify explicitly the method of discussion and the voting procedure of the Board of Supervisors to ensure its efficiency and scientific decision-making, and such rules shall be submitted to the shareholders' general meeting for discussion and approval.

SECTION 4 SPECIAL COMMITTEES UNDER THE BOARD OF SUPERVISORS

Article 230 The Nomination Committee and the Supervision Committee are set up under the Board of Supervisors of the Bank. All members of the committees shall be the supervisors and each committee shall have not less than three members. The person in charge of the Nomination Committee and the Supervision Committee shall be the external supervisors.

Article 231 Main duties of the Nomination Committee are to draw up the election procedure and standard for supervisors, conduct the initial examination of the qualifications of candidates for supervisors and propose to the Board of Supervisors; to supervise the election procedure; to conduct comprehensive evaluation on the performance of duties by directors, supervisors and senior management personnel and report to the Board of Supervisors; to supervise the remuneration management system and policy of the Bank and the effectiveness and rationality of the remuneration plan of senior management personnel.

Article 232 The main duties of the Supervision Committee are to draw up the supervision scheme on the financial activities of the Bank and implement relevant inspection; to supervise the Board of Directors in establishing sound operational philosophy and value standards and formulating development strategies in line with the practice of the Bank; and to supervise and inspect the operation decisions, risk management and internal control of the Bank.

CHAPTER 11 QUALIFICATIONS AND OBLIGATIONS OF DIRECTORS, SUPERVISORS, PRESIDENT AND OTHER SENIOR MANAGEMENT PERSONNEL AND INCENTIVE MECHANISM

Article 233 The qualifications of the directors, supervisors, president and other senior management personnel shall comply with the relevant stipulations of the laws, administrative regulations, as well as regulatory authorities including CBRC and the securities regulatory authorities under the State Council and the Articles.

Article 234 The following persons shall not assume the roles of directors, supervisors, president or other senior management personnel:

- (I) he does not possess civil capacity or possesses limited civil capacity;
- (II) he was convicted of corruption, bribery, infringement of property or misappropriation of property or other offences which disrupted the socialist market economic order within a period of five years after the sentence was served, or he has been deprived of his political rights within a period of five years after the sentence was served;
- (III) he was a former director, factory manager or manager of a company or an enterprise which has been dissolved or liquidated and was personally liable for the dissolution or liquidation of such company or enterprise within a period of three years after the date of completion of the dissolution or liquidation of such company or enterprise;
- (IV) he was a former legal representative of a company or an enterprise the business license of which was revoked as a result of violation of law and was personally liable for such revocation within a period of three years after the date of the revocation of said business license;
- (V) he has a relatively substantial amount of individual debts which have become overdue;
- (VI) he is currently under investigation by judicial authorities for commission of criminal offence;
- (VII) he is not permitted to act in the capacity of leader of an enterprise according to law, regulations, rules and regulatory documents;
- (VIII) he is not a natural person;
- (IX) he was determined by competent authorities for violation of applicable securities regulations and such conviction involved a finding that he acted fraudulently or dishonestly within a period of five years after the date of such determination.
- (X) he was prohibited to participate in the market by regulatory authorities such as CBRC, the securities regulatory authorities of the State Council and such prohibition has not been uplifted;

The personnel assuming the functions of office other than that of the director at the units of the controlling shareholder and the ultimate controlling owner of the Bank shall not act as the senior management personnel of the Bank.

Article 235 The Bank implements the standard and procedure of fair and open performance appraisal for the directors, the supervisors and the senior management personnel, and sets up the incentive mechanism with remuneration and benefits related to individual performance.

The directors, the supervisors and the senior management personnel shall not take part in the decision process of their own remuneration and performance appraisal.

Article 236 Reasonable remuneration arrangement shall be proposed by the Board of Directors and the Board of Supervisors in accordance with the performance of directors and supervisors respectively and propose to the shareholders' general meeting for consideration and approval.

The appraisal, remuneration and incentive scheme of the senior management personnel are drawn up by the Remuneration Committee under the Board of Directors, and reported to the Board of Directors for approval. Those involving the authority of office of the shareholders' general meeting shall be reported to the shareholders' general meeting for approval. The Board of Directors shall have the remuneration and other incentive arrangement for the senior management personnel based on their performance appraisal.

Article 237 The validity of any act carried out by a director, president or other senior management personnel of the Bank on the Bank's behalf to a bona fide third party shall not be affected by any irregularities during the term of his/her office, election or any defect in his/her qualifications.

Article 238 In addition to the obligations imposed by law, regulations, rules, regulatory documents or relevant requirements of the securities regulatory authorities in the place where the Bank's shares are listed, the Bank's directors, supervisors, president, and other senior management personnel owe the following obligations to each shareholder in exercising the functions and powers conferred to them by the Bank:

- (I) not to cause the business of the Bank to exceed the business scope stipulated in its business license;
- (II) to act honestly in the best interests of the Bank;
- (III) not to expropriate the Bank's property in any manner, including (but not limited to) opportunities advantageous to the Bank; and
- (IV) not to expropriate the individual rights of shareholders, including (but not limited to) distributions rights and voting rights, except pursuant to a restructuring of the Bank which has been submitted to and approved by the shareholders' general meeting in accordance with the Articles.

Article 239 Directors, supervisors, president, and other senior management personnel of the Bank shall, in the exercise of their powers and in the discharge of their obligations, exercise care, diligence and skills that would be exercised by a reasonably prudent person under similar circumstances.

Article 240 The directors, the president and other senior management personnel of the Bank shall, in compliance with the laws, regulations, rules, regulatory documents and the Articles, have the following obligations of faith to the Bank:

- (I) shall not make use of their authority of office to accept bribery or other illegal income and infringe the properties of the Bank;
- (II) shall not misappropriate the funds of the Bank;
- (III) shall not open the account in personal name or other's name to deposit the assets or funds of the Bank;

- (IV) shall not violate the stipulations of the Articles to lend the funds of the Bank to others or make use of the properties of the Bank to provide guarantee for other peoples, without the consent of the shareholders' general meeting or the Board of Directors;
- (V) shall not violate the stipulations of the Articles or without the consent of the shareholders' general meeting, to enter into the agreement or transaction with the Bank;
- (VI) without the consent of the shareholders' general meeting, shall not make use of the function of office to seize the commercial opportunity, which should have belonged to the Bank, in favor of themselves or others, to self-operate or operate for others the business similar to that of the Bank;
- (VII) shall not accept the commission in their own favor for the transaction with the Bank;
- (VIII) shall not disclose the secrets of the Bank without permission;
- (IX) shall not make use of their connections to damage the benefits of the Bank;
- (X) other obligations of faith stipulated by the laws, regulations, rules, regulatory documents and the Articles.

The directors, president and other senior management personnel's income obtained in violation of the stipulation of this Article shall belong to the Bank, and they shall bear the responsibility for compensation for losses caused to the Bank.

Article 241 The directors shall, in compliance with the laws, regulations, rules, regulatory documents and the Articles, have the following obligations of diligence to the Bank:

- (I) shall exercise the rights conferred by the Bank prudently, earnestly and diligently, so as to warrant that the commercial conduct of the Bank shall comply with the national laws, administrative regulations and the requirements for various national economic policies and that the commercial activities shall not exceed the business scope stipulated by the business licence;
- (II) shall treat all shareholders on fair basis;
- (III) understand the business operation and management situation of the Bank;
- (IV) shall sign the confirmation on opinion in writing for the regular reports of the Bank and other documents requiring their signature, and warrant that the Bank shall disclose the true, accurate and complete information;
- (V) shall provide the Board of Supervisors with the relevant situation and information according to the fact, and shall not obstruct the Board of Supervisors or the supervisors from exercising their authority of office;
- (VI) other obligations of diligence stipulated by the laws, regulations, rules, regulatory documents, the securities regulatory authorities at the place of listing the shares of the Bank and the Articles.

The obligations of diligence related to Item (IV) to (VI) of this Article shall be applicable to the president and other senior management personnel simultaneously.

Article 242 The supervisors shall, in compliance with the laws, regulations, rules, regulatory documents and the Articles, perform the obligations of faith and the obligations of diligence, shall not make use of the authority of office to accept bribery or other illegal income and shall not infringe the properties of the Bank.

Article 243 Directors, president and other senior management personnel of the Bank shall exercise and perform his duties in accordance with the principles of utmost good faith and shall avoid conflicts of interests. These principles include (but not limited to):

- (I) to act honestly in the best interests of the Bank;
- (II) to act within the scope of his/her powers and not to exceed such powers;
- (III) to exercise in person the discretion conferred to him/her and shall not be controlled by others; and not delegate such discretion to others unless otherwise permitted by laws or administrative regulations or approved by the shareholders based on an informed decision at the shareholders' general meeting;
- (IV) to treat shareholders of the same class equally, and to treat shareholders of different classes fairly;
- (V) not to execute any agreements or transactions or make arrangements with the Bank unless otherwise provided by the Articles or approved by the shareholders based on an informed decision at the shareholders' general meeting;
- (VI) not to use the Bank's assets in any manner to pursue own personal interests unless approved by the shareholders based on an informed decision at the shareholders' general meeting;
- (VII) not to accept any bribery or other illegal income by virtue of his/her powers and positions, and not to seize the Bank's assets in any manner, including (but not limited to) opportunities advantageous to the Bank;
- (VIII) not to accept any commission with respect to any of the Bank's transactions without the prior approval granted by the shareholders based on an informed decision at the shareholders' general meeting;
- (IX) to comply with the Articles, perform their duties honestly and faithfully, to protect the Bank's interests and not to pursue own personal gains by taking advantage of his/her powers and positions conferred by the Bank;
- (X) not to compete with the Bank in any manner unless approved by the shareholders based on an informed decision at the shareholders' general meeting;

- (XI) not to misappropriate the funds of the Bank or lend the Bank's funds to others in violation of rules, and not to open accounts in personal name(s) or others' name(s) to deposit funds of the Bank, and not to provide guarantees for the debts of the shareholders of the Bank or others in violation of rules by way of the Bank's assets.
- (XII) not to divulge any confidential information concerning the Bank that has been obtained during his/her term of office, unless approved by the shareholders based on an informed decision at the shareholders' general meeting; and not to utilize such information unless it is for the benefits of the Bank provided however such information can be disclosed on petitioning to a court or other competent government authorities under the following circumstances:
 - 1. as prescribed by law;
 - 2. as required for the purpose of public interest;
 - 3. as required for the interests of the directors, supervisors, president, and other senior management personnel.

Article 244 Directors, supervisors, president and other senior management personnel of the Bank shall not direct the following persons or organizations ("related parties") to do what he/she has been prohibited from doing:

- (I) spouse or minor children of the directors, supervisors, president and other senior management personnel of the Bank;
- (II) the trustees of directors, supervisors, president and other senior management personnel of the Bank or of any person(s) as described in item (I) of this Article;
- (III) the partners of directors, supervisors, president and other senior management personnel of the Bank or of any person(s) as described in items (I) or (II) of this Article;
- (IV) company(ies) which is/are effectively controlled by the directors, supervisors, president and other senior management personnel of the Bank or under the common control with any person(s) as described in items (I), (II) or (III) of this Article or other directors, supervisors, president and other senior management personnel of the Bank;
- (V) the directors, supervisors, managers and other senior management personnel of the controlled company(ies) as referred to in item (IV) of this Article.

Article 245 The fiduciary duty of a director, supervisor, president and a member of other senior management personnel of the Bank shall not cease upon the conclusion of his/her term, and his/her obligations to keep the commercial secrets of the Bank shall survive beyond the conclusion of his/her term. The duration of other obligations shall be determined in accordance with the principle of fairness, depending on the length of the period between the occurrence of the relevant event(s) and the time when he/she leaves the employ of the Bank and the circumstances and terms under which his/her relation with the Bank ends.

Article 246 The liability of any directors, supervisors, president and any other senior management personnel of the Bank as a result of breaches of any specific obligation can be removed based on an informed decision at the shareholders' general meeting, except for the circumstances as specified in Article 55 hereof.

Article 247 A director, supervisor, president and other senior management personnel of the Bank who directly or indirectly has material interest in any agreements, transactions, or arrangements executed or proposed to be executed by the Bank (except for service agreements between the directors, supervisors, president and other senior management personnel and the Bank) shall disclose to the Board of Directors the nature and extent of his/her interest as soon as possible, regardless of whether or not such matters require the approval of the Board of Directors under normal circumstances.

Unless the interested director, supervisor, president and other senior management personnel of the Bank has made such disclosure to the Board of Directors as required by the preceding paragraph of this Article, and the relevant matter has been approved by the Board of Directors at the board meeting in which such director, supervisor, president and other senior management personnel has not been counted into the quorum and has not voted at the meeting, the Bank shall be entitled to rescind such agreements, transactions, or arrangements, except where the counterparty(ies) is/are bona fide without knowledge of the breaches of duties on the part of such director, supervisor, president and other senior management personnel.

Where any related party(ies) of any director(s), supervisor(s), president and other senior management personnel of the Bank is/are interested in any agreements, transactions or arrangements, such director(s), supervisor(s), president and other senior management personnel shall also be deemed to be interested.

Article 248 Upon availability of the conditions, the Bank, having been approved by the shareholders' general meeting, may set up the professional liability insurance system for the directors, the supervisors and the senior management personnel.

Except when it has been proved that the directors, supervisors and senior management personnel have failed to perform their duties faithfully or behave with good intention, the Bank shall, within the maximum scope permitted by the laws and administrative regulations, or within the scope not prohibited by the laws and administrative regulations, apply its own assets to compensate each of the directors, the supervisors and the senior management personnel for any liabilities incurred in the course of performing their duties.

Article 249 If, prior to the Bank first considers entering into the relevant agreements, transactions or arrangements, a director, supervisor, president or senior management personnel of the Bank has delivered a written notice to the Board of Directors stating that he/she is interested in such proposed agreements, transactions or arrangements as a result of the reasons stated in the notice, such director, supervisor, president or senior management personnel shall be deemed to have made the disclosure stipulated in the preceding Article within the scope stated in the notice.

Article 250 The Bank shall not, in any manner, pay any taxes for the Bank's directors, supervisors, president and other senior management personnel.

Article 251 The Bank shall neither directly nor indirectly provide loans and loan security for the directors, supervisors, president and other senior management personnel of the Bank, and shall not provide loans and loan security for the persons related to the foregoing persons as well.

The stipulations of the preceding paragraph shall not be applicable in the following situations:

- (I) The Bank provides loans for its bank subsidiaries (subsidiary companies) or provide loan security for its bank subsidiaries (subsidiary companies);
- (II) The Bank provides the directors, supervisors, president and other senior management personnel of the Bank with loans, loan security or other sums for payment of the costs incurred for the purpose of the Bank or the performance of their duties based on the agreement on their employment approved by the shareholders' general meeting;
- (III) The Bank may provide the directors, supervisors, president and other senior management personnel of the Bank and their related persons with loans and loan security according to normal business conditions.

Article 252 Any person who receives any funds from a loan which has been made by the Bank in breach of the preceding Article shall, irrespective of the terms of the loan, forthwith repay such funds.

Article 253 A guarantee for a loan provided by the Bank in breach of the first paragraph of Article 251 shall not be enforceable against the Bank, except under the following circumstances:

- (I) when a loan was provided to a related party of any director(s), supervisor(s), president and other senior management personnel of the Bank and the provider of the loan has no knowledge of the relevant circumstances at the time of making the loan;
- (II) the collateral provided by the Bank has been lawfully sold by the lender to a bona fide purchaser.

Article 254 Guarantees referred to in the preceding paragraph of this chapter shall include an undertaking or any property provided by the guarantor to secure the obligor's performance of his/her/its obligations.

Article 255 In addition to the rights and remedies provided by law, regulations, rules and regulatory documents when a director, supervisor, president and other senior management personnel of the Bank breaches his/her obligations to the Bank, the Bank shall be entitled to:

- (I) require such director, supervisor, president and other senior management personnel to compensate for any loss sustained by the Bank as a result of such breach of duty;
- (II) rescind any agreement or transaction entered into between the Bank and such director, supervisor, president and other senior management personnel or between the Bank and a third party, where such party has knowledge or should have known that such director, supervisor, president and other senior management personnel representing the Bank has breached his/her duties owed to the Bank;

- (III) require such director, supervisor, president and other senior management personnel to account for the profits made as result of such breach of obligations;
- (IV) recover any amount which otherwise would have been received by the Bank but were received by such director, supervisor, president and other senior management personnel instead, including (but not limited to) commissions;
- (V) demand the return of interest earned or which may be earned by such director, supervisor, president and other senior management personnel on any sum which should have been received by the Bank.

Article 256 With the prior approval of the shareholders' general meeting, the Bank shall enter into a written agreement with a director or supervisor of the Bank in relation to remuneration. Remuneration referred to above shall include:

- (I) remuneration with respect to his/her service as a director, supervisor or member of the senior management personnel of the Bank;
- (II) remuneration with respect to his/her service as a director, supervisor or member of the senior management personnel of bank subsidiaries (subsidiary companies) of the Bank;
- (III) remuneration with respect to the provision of other services in connection with the management of the Bank and its bank subsidiaries (subsidiary companies); and
- (IV) any payment as compensation for or in connection with loss of office or retirement from office of such director or supervisor.

No proceedings may be brought by a director or supervisor against the Bank for any benefit which otherwise would have been received by him/her by virtue of any of the matters referred to above except pursuant to any agreement described above.

Article 257 Any agreements between the Bank and the directors or supervisors of the Bank with respect to their remunerations shall stipulate that the directors and supervisors of the Bank shall, subject to the prior approval of the shareholders' general meeting, be entitled to receive compensation or other payment as a result of his/her loss of office or retirement in the event that the Bank will be acquired by others. For the purposes of this paragraph, the acquisition of the Bank shall include any of the following:

- (I) a general offer made by any person to all the shareholders;
- (II) an offer made by any person in anticipation of becoming a controlling shareholder. The definition of "controlling shareholder" has the same meaning ascribed to it as that defined in Article 57 hereof.

In the event that the relevant director or supervisor does not comply with this Article, any sum so received by him/her shall belong to those persons who have sold their shares as a result of such offer. The expenses incurred in distributing such sum pro rata among such persons shall be borne by the relevant director or supervisor and shall not be deducted from such sum.

CHAPTER 12 FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION

Article 258 The Bank shall establish its financial and accounting systems in accordance with laws, administrative regulations and the requirements of the PRC Accounting Principles formulated by the financial department of the State Council.

Article 259 An annual financial accounting report shall be prepared at the end of each accounting year and shall be examined in accordance with law.

Article 260 The fiscal year of the Bank adopts the Gregorian calendar from 1 January to 31 December.

Article 261 The Board of Directors shall present to the shareholders, at each annual general meeting, such financial reports prepared by the Bank as required by relevant laws, regulations, rules and regulatory documents.

Article 262 The Bank's financial reports shall be made available for shareholders' inspection at the Bank's offices twenty days prior to the date of each annual general meeting. Each shareholder of the Bank is entitled to obtain a copy of the financial reports referred to in this Chapter.

Unless otherwise stipulated in the Articles, the Bank shall deliver or post to each shareholder of overseas listed foreign shares by hand or by prepaid mail the foregoing reports or the directors' report along with the balance sheet and profit and loss statement at least twenty-one days prior to the date of each annual general meeting, and the addresses of the recipients shall be those recorded in the register of the shareholders.

Article 263 The financial statements of the Bank shall, in addition to being prepared in accordance with the accounting standards and regulations of the PRC, shall also be prepared in accordance with the international accounting standards, or the accounting standards of a place which the shares of the Bank are listed overseas. In the event of any material discrepancies in the financial statements prepared in accordance with the two types of accounting standards, such discrepancies shall be stated in the notes to the financial statements. The profit after taxation to be distributed by the Bank shall be the lower of the profit after taxation stated in the foregoing two types of financial statements.

Article 264 The interim results or financial information published or disclosed by the Bank shall be prepared in accordance with the PRC accounting standards and regulations as well as the international accounting or the accounting standards of a place which the shares of the Bank are listed overseas.

Article 265 The Bank shall announce its financial reports two times every accounting year. An interim financial report of the Bank shall be published within sixty days after the end of the first six months of each accounting year and an annual financial report shall be published within 120 days after the end of each accounting year.

The stipulations specified otherwise by the securities regulatory authorities of the Bank at the place of listing the shares of the Bank shall prevail.

Article 266 The annual financial accounting report of the Bank shall include the following:

- (I) accounting statements;
- (II) notes to the accounting statements;
- (III) statements of financial position.

Accounting statements shall include the balance sheet, the income statement, the cash flow statement, and the statement of changes in stockholders' equity.

Article 267 The Bank shall not keep financial records other than those required by law. The Bank's assets shall not be deposited into any account opened under an individual name.

Article 268 The profit after taxation of the Bank shall be allocated in the following sequence:

- (I) to make up for the losses of the previous year;
- (II) to make allocation of 10% to the statutory common reserve fund;
- (III) to make allocation to the general provisions;
- (IV) to make allocation to the discretionary common reserve fund;
- (V) to pay the shareholders' dividends.

When the accumulated amount of the statutory common reserve fund amounts to 50% or above of the registered capital of the Bank, allocation is no longer required. If the Bank's statutory common reserve fund is insufficient to make up for the losses of the previous year, the profits of the current year shall firstly be used to make up for the losses before making allocation to the statutory common reserve fund. After making allocation to the statutory common reserve fund and the general provisions from the profit after taxation, the Bank may, subject to resolutions passed at a shareholders' general meeting, make allocation to the discretionary common reserve fund from the profit after taxation. After making up for the losses and making allocation to the statutory common reserve fund, the general provisions and the discretionary common reserve fund, the remaining profit after taxation shall be distributed to shareholders based on the proportion of shares being held.

If the shareholders' general meeting violates the provisions of the preceding paragraph and distributes profits to the shareholders before making up for the Bank's losses and making allocations to the statutory common reserve fund and the general provisions, the shareholders must return to the Bank the profits which are distributed in violation of the provisions.

The Bank's shares held by the Bank shall not participate in profit distribution.

Article 269 In respect of the shares of the joint shareholders, if the Bank pays any one of the joint shareholders for the allocation or distribution of any dividends, bonus or return on capital payable to such joint shareholders, such payment shall be deemed as having paid all of the joint shareholders for the foregoing allocation or distribution.

Article 270 The capital reserve fund shall include the following:

- (I) any premium which exceeds the proceeds from issuance of shares at par value;
- (II) any other income credited to the capital reserve fund as required by the finance department of the State Council.

Article 271 The common reserve fund of the Bank shall be used to cover losses of the Bank, expand the Bank's operation or increase the Bank's capital but the capital reserve fund shall not be used for making up for the Bank's losses;

When the statutory common reserve fund is converted into share capital, the amount remaining in such reserve fund shall not be less than 25% of the Bank's registered capital prior to the conversion.

Article 272 The fundamental principle and specific policy of distribution of profit of the Bank

The fundamental principle of distribution of profit of the Bank are as follows

- (I) taking full account of the investors' return and distributing dividends calculated on the Bank's distributable profit achieved for the year to shareholders each year;
- (II) maintaining continuity and stability of the profit distribution policy of the Bank, taking account of the long-term interests of the Bank, the interests of all shareholders as a whole and the sustainable development of the Bank;
- (III) preferring profit distribution in cash.

The specific profit distribution policy of the Bank are as follows:

- (I) the form of distribution of profits: the Bank distributes dividends by way of cash, shares or the combination of cash and shares. Where conditions allow, the Bank may make interim profit distribution;
- (II) the specific conditions and proportions of cash dividends of the Bank: except in extraordinary circumstances, the Bank shall make its profit distribution by way of cash dividend if the Bank makes profits and its accumulated undistributed profit is a positive figure in the current year. The profit distributed by way of cash dividend shall not be less than 10% of the realized distributable profit of the Bank in the current financial year;

The “extraordinary circumstances” in the presiding clause refers to circumstances in which:

- (I) the Bank’s capital adequacy ratio has become lower than the regulatory standard, or is expected to become lower than the regulatory standard after distribution of cash dividend for the year;
- (II) the Bank’s reserves made fails to meet the requirements from relevant financial regulatory authorities;
- (III) dividend distribution is otherwise restricted by laws and regulations; or
- (IV) cash distribution will otherwise affect the long-term interest of the Shareholders in the Bank’s belief.

Article 273 Where the Bank performs well and the Board of Directors opines that the price of the Bank’s shares does not match the size of share capital of the Bank and distribution of share dividend is beneficial to the interest of the Shareholders as a whole, the Board of Directors may, subject to the satisfaction of the above conditions for distributing cash dividend, present a proposal for profit distribution in share dividend. Where the Bank makes profit distribution in share dividend, the Bank shall seek approval from the relevant national regulatory authorities.

Article 274 The process of reviewing profit distribution plan of the Bank are as follows:

- (I) the profit distribution plan of the Bank proposed by the President Office be submitted to the Board of the Bank for reviewing where the reasonableness of the profit distribution plan shall be fully discussed by the Board and a special resolution shall be made and submitted to the general meeting of shareholders for reviewing. The bank provides online voting to shareholders;
- (II) where the Bank decides not to distribute dividends by cash due to the extraordinary circumstances contemplated in Article 272 above, the Board shall give specific explanation on the specific reasons, the exact use of the retained earnings of the Bank and the estimated investment income, which shall be, having independent non-executive directors to express their views, submitted to the general meeting of shareholders for reviewing and disclosed on the designated media.

Article 275 After the resolution on profit distribution has been passed at a shareholder’s general meeting of the Bank, the Bank’s Board of Directors shall complete the distribution of dividends (or shares) within 2 months after convening of the shareholders’ general meeting.

In case of force majeure such as war and natural disaster, or external changes in the operation circumstances having material effects to the Bank’s operation, or material internal changes in the Bank’s operation, the Bank may adjust its profit distribution policy.

Any adjustment to the profit distribution policy of the Bank shall be adopted by the shareholders’ general meeting through special resolution. The Bank will provide online voting for shareholders when reviewing the amendments to the profit distribution policy.

Article 276 The Bank may distribute the annual or semi-annual dividends by ways of cash or shares. Profit distribution of the Bank shall focus on reasonable returns to investment of the investors. The profit allocation policy shall maintain its continuity and stability.

Any payment for any shares paid before the call shall be entitled to dividends. However, shareholders shall not have any right to receive the dividend declared thereafter in relation to the pre-paid payments for the shares monies.

On the premise of complying with the relevant laws, regulations, rules, and regulatory documents, the Bank may exercise its right to forfeit the unclaimed dividends. However, such right can be exercised only upon expiry of the applicable relevant time limit.

The Bank shall be entitled to stop sending the dividend warrant to the holder of overseas listed foreign shares by mail. However, the Bank shall exercise such right only when the dividend warrant has been unclaimed twice consecutively. The Bank shall be entitled to exercise such right immediately upon rejection of the first mail of the dividend warrant unable to serve the recipient.

In the manner considered appropriate by the Board of Directors, the Bank has the right to sell the shares of the holders of the overseas listed foreign shares in the event that the Bank has been unable to contact such shareholders, subject to the following conditions:

- (I) The Bank has at least declared and distributed the dividends three times in twelve years and nobody has claimed the dividends during the period;
- (II) Upon expiry of the period of twelve years, the Bank has published the announcement in one or more newspapers at the place of listing the shares of the Bank to state its intention to sell such shares and informed the securities regulatory organ at the place of listing the shares of the Bank.

Article 277 The Bank shall appoint a receiving agent for the holders of the overseas listed foreign shares. Such receiving agent shall receive dividends and other sums in relation to the overseas listed foreign shares of the Bank on behalf of such holders.

The receiving agent appointed by the Bank shall meet the relevant requirements of the laws of the listing place or the relevant regulations of the stock exchange of the listing place.

The receiving agent appointed for holders of overseas listed foreign shares listed in Hong Kong shall be a trust company registered under the Trustee Ordinance of Hong Kong.

CHAPTER 13 INTERNAL AUDIT

Article 278 The Bank shall establish an internal audit system and appoints professional auditors to undertake internal auditing and supervision of the Bank's financial income and expenditure and economic activities.

Article 279 The internal audit system and the duties of such auditing personnel shall be implemented upon approval of the Board of Directors. The person in charge of internal audit shall be accountable to the Board of Directors and report to the Board of Directors through audit committee.

Article 280 The internal audit department of the Bank shall regularly report the audit work and deliver the special audit report to the Board of Directors, its Audit Committee and the Board of Supervisors in timely manner, and the senior management shall be informed accordingly.

CHAPTER 14 APPOINTMENT AND REMOVAL OF ACCOUNTING FIRM(S)

Article 281 The Bank shall appoint an independent accounting firm complying with the relevant stipulations of the State to audit the annual financial reports and conduct verification of other financial reports of the Bank.

The accounting firm appointed by the Bank shall hold office from the conclusion of each annual general meeting until the conclusion of the next annual general meeting.

Article 282 The accountant firm appointed by the Bank shall have the following rights:

- (I) to inspect financial statements, records and vouchers of the Bank and shall have the right to require directors, president or other senior management personnel of the Bank to provide the relevant information and explanations;
- (II) to require the Bank to take all reasonable measures to obtain from its bank subsidiaries (subsidiary companies) any information and explanations necessary for the discharge of its duties;
- (III) to attend shareholders' general meetings and to receive meeting notices or other information relating to the shareholders' general meeting, and to speak at any shareholders' general meeting in relation to matters concerning its role as the Bank's appointed accounting firm.

Article 283 In the event of a vacancy in the accounting firm, the Board of Directors may appoint an accounting firm to fill such vacancy prior to the convening of the shareholders' general meeting, but shall be confirmed by the next shareholders' general meeting. Such accounting firms may continue to act during the vacancy period if the Bank has other incumbent accounting firms.

Article 284 Shareholders attending a general meeting may by ordinary resolution remove the Bank's accounting firm prior to the expiration of its term, irrespective of the provisions in the agreement between the Bank and such accounting firm. Notwithstanding such provisions, the accounting firm's entitlement to claim for damages arising out of its removal shall not be affected thereby.

Article 285 The remuneration of an accounting firm or the manner in which such remuneration is to be determined shall be determined by the shareholders' general meeting. The remuneration of an accounting firm appointed by the Board of Directors to fill a vacancy shall be determined by the Board of Directors and approved by the shareholders' general meeting.

Article 286 The appointment, removal or discontinuation of appointment of an accounting firm by the Bank shall be resolved by shareholders at a general meeting and filed with the securities regulatory organ of the State Council.

In the event of removal or discontinuation of appointment of an accounting firm, the Bank shall inform the accounting firm in advance, and the accounting firm shall have the right to state its opinion to the shareholders' general meeting.

In the event that a resolution at a shareholders' general meeting is to be passed to appoint an accounting firm other than the incumbent accounting firm to fill any vacancy in the office of the accountant, or to re-appoint an accounting firm which was appointed by the Board of Directors to fill a vacancy, or to remove an accounting firm prior to the expiration of its term, the following provisions shall apply:

- (I) A proposal on the appointment or removal shall be sent (before a notice of the shareholders' general meeting is issued) to the accounting firm proposed to be appointed or the accounting firm intends to resign or has resigned in the relevant accounting year. "Resign" shall include removal, resignation and retirement.
- (II) In the event that the accounting firm that is going to leave its post makes written statements and requests that the Bank to notify the shareholders of such representations, the Bank shall (unless the written statements have been received too late) take the following measures:
 1. In any notice issued for passing a resolution, the Bank shall state the statements made by the accounting firm that is going to leave its post;
 2. To attach a copy of the statements as a schedule to the notice and deliver it to the shareholders in the manner provided in the Articles.
- (III) In the event that the Bank fails to send the accounting firm's statements in the manner set out in item (II) above, such accounting firm may require that the statements be read out at the shareholders' general meeting and may make further appeals.
- (IV) The accounting firm which is going to leave its post has the right to attend the following meetings:
 1. The shareholders' general meeting at which its term would otherwise have expired;
 2. The shareholders' general meeting at which it is proposed to fill the vacancy caused by such removal;
 3. The shareholders' general meeting which is convened as a result of the voluntary resignation of said accounting firm.

The accounting firm leaving its post is entitled to receive all notices of, and other information relating to, any such meeting, and to speak at any such meeting which it attends on any matters with respect to which its capacity as the former accounting firm of the Bank.

Article 287 Where the accounting firm resigns, it shall state in the shareholders' general meeting whether or not there are any irregularities in the Bank.

An accounting firm may resign by depositing a written notice of resignation at the legal address of the Bank. Such notice shall become effective on the date it is being placed at the legal address of the Bank or a later date stated in the notice. Such notice shall contain the following statements:

- (I) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Bank; or
- (II) a statement of any such circumstances.

When the Bank receives the notice referred to above, it shall within 14 days send a copy of the notice to the supervisory authorities. If the notice contains the statement mentioned in item (II) above, a copy of such statement shall be kept by the Bank for inspection by shareholders. Unless otherwise stipulated in the Articles, the Bank shall also send a copy of the aforesaid statements to each holder of the overseas listed foreign shares by prepaid post, and the address of the recipient shall be as recorded in the register of shareholders.

Where the notice of resignation of the accounting firm contains a statement of any such circumstances, the accounting firm may require the Board of Directors to convene an extraordinary general meeting for the purpose of hearing its explanation of the circumstances in connection with its resignation.

Article 288 The Bank shall provide the appointed accounting firm with the true and complete accounting vouchers, accounting books, financial accounting reports and other accounting information and shall not refuse, conceal or make false report.

CHAPTER 15 INFORMATION DISCLOSURE

Article 289 The Board of Directors of the Bank shall, as stipulated by the laws, regulations, rules, regulatory documents, relevant provisions made by the securities regulatory organ at the place where the shares of the Bank are listed and the Articles, formulate the information disclosure system. The Board of Directors shall manage the information disclosure of the Bank.

Article 290 The Bank shall disclose the information on normative basis and subject to the principles of truth, accuracy, integrity, fairness and timeliness.

Article 291 The Board of Directors shall, as stipulated by the laws, regulations, rules, regulatory documents, relevant provisions made by the securities regulatory organ at the place where the shares of the Bank are listed and the Articles, formulate the minimum standard, method and channel for information disclosure, as well as setting up and optimizing the information disclosure system of the Bank.

CHAPTER 16 MERGER, DIVISION, INSOLVENCY, DISSOLUTION AND LIQUIDATION

Article 292 The Bank may conduct merger or division in accordance with law.

The merger of the Bank may take the form of either merger by absorption or merger by establishment of a new company.

Article 293 In the event of a merger or division of the Bank, the Bank's Board of Directors shall submit a proposal, which shall be approved by the shareholders' general meeting in accordance with the procedures stipulated in the Articles and the relevant examination and approval formalities shall be completed in accordance with law. Shareholders who object to the Bank's merger or division proposal shall be entitled to request the Bank or the shareholders who consent to the Bank's merger or division proposal to acquire their shares at a fair price. The contents of the resolutions on the Bank's merger or division shall be produced as special documents which shall be available for inspection by shareholders.

Such special documents shall be sent by mail to notify holders of overseas listed foreign shares in writing.

Article 294 In the event of a merger, the parties to the merger shall execute a merger agreement and prepare a balance sheet and an inventory of assets. The Bank shall notify its creditors within ten days from the date of passing of the resolution on merger and publish an announcement in a newspaper at least three times within 30 days. The creditors may demand the Bank to settle the debts or provide the relevant securities within 30 days from the date of receiving the notice or within 45 days from the date of announcement for those who have not received the notice.

After the merger, the creditors' rights and debts of the parties involved in the merger shall be assumed by the company surviving the merger or the new company established after the merger.

Article 295 Where there is a division of the Bank, its assets shall be divided accordingly.

In the event of a division, the parties to the division shall execute a division agreement and prepare a balance sheet and an inventory of assets. The Bank shall notify its creditors within ten days from the date of passing of the resolution on division and publish an announcement in a newspaper at least three times within 30 days.

The companies after the division shall be jointly liable for the debts of the Bank incurred prior to the division unless otherwise agreed in writing between the Bank and the creditors in relation to the settlement of debts prior to the division.

Article 296 The Bank shall, in accordance with law, apply for registration of the change with the company registration authorities where a change in any item in its registration arises as a result of any merger or division. Where the Bank is dissolved, the Bank shall apply for cancelling its registration in accordance with law. Where a new company is established, the Bank shall apply for registration thereof in accordance with law.

Article 297 The Bank may dissolve upon any of the following reasons:

- (I) A resolution for dissolution is passed by shareholders at a shareholders' general meeting;
- (II) Dissolution is necessary as a result of merger or division of the Bank;
- (III) The Bank is declared insolvent on grounds of its failure to repay its debts as they become due;

- (IV) The business licence is revoked or the Bank is ordered to close down or to dissolved according to law;
- (V) In the event that serious difficulties exist in the operation and management of the Bank, its continuous existence would cause material losses to the shareholders' interests and it is unable to solve the problem by other means, the shareholders holding more than 10% voting rights of the Bank may request the people's court to dissolve the Bank.

Article 298 Where the Bank is dissolved pursuant to items (I) or (V) above, a liquidation committee shall be established within 15 days in accordance with law upon approval by CBRC. The members shall be selected and confirmed by an ordinary resolution at a shareholders' general meeting.

Where the Bank is dissolved pursuant to item (II) above, the application, attached with the reasons for dissolution and the plan to pay off debts such as payment of deposits and dividends, shall be filed with CBRC. The bank shall be dissolved upon approval of CBRC.

Where the Bank is dissolved pursuant to item (III) above, the people's court shall, in accordance with the provisions of the relevant laws, coordinate with CBRC, the shareholders, the relevant authorities and relevant professionals to establish a liquidation committee to conduct the liquidation.

Where the Bank is dissolved pursuant to item (IV) above, CBRC shall coordinate with the shareholders, the relevant authorities and professionals to establish a liquidation committee to conduct the liquidation.

Article 299 Where the Board of Directors has decided to liquidate the Bank (for any reason other than the Bank's declaration of its insolvency), the Board of Directors shall state in the notice convening a shareholders' general meeting that it has made full inquiry into the affairs of the Bank and is of the opinion that the Bank shall be able to settle its debts in full within twelve months from the commencement of the liquidation.

Upon passing of the resolution on liquidation at a shareholders' general meeting, all functions and powers of the Board of Directors shall cease immediately.

The liquidation committee shall act in accordance with the instructions from the shareholders' general meeting and report on the liquidation committee's income and expenses, the Bank's business and the progress of the liquidation at least once every year to the shareholders' general meeting; and to submit a final report to the shareholders' general meeting upon completion of the liquidation.

Article 300 During liquidation, the liquidation committee shall exercise the following functions and powers:

- (I) to liquidate of the Bank's assets and prepare a balance sheet and an inventory of assets respectively;
- (II) to give notice or make announcement to the creditors;
- (III) to deal with and liquidate the uncompleted businesses of the Bank;

- (IV) to effect payment of all outstanding taxes and the taxes arising during the process of liquidation;
- (V) to settle creditors' rights and debts;
- (VI) to deal with the remaining assets after settlement of the Bank's debts;
- (VII) to represent the Bank in any civil proceedings.

Article 301 The liquidation committee shall, within ten days of its establishment, notify the creditors, and within 60 days of its establishment, publish an announcement at least three times in newspapers.

The creditors shall declare to the liquidation committee its creditors' rights within 30 days upon receipt of notice and within 45 days from the date of announcement for those having not received the notice.

When declaring the creditors' rights, the creditors shall state the relevant matters of the creditors' rights and provide materials of proof. The liquidation committee shall register the creditors' rights.

During the period of declaring the creditors' rights, the liquidation committee shall not pay off the creditors.

Article 302 Following the disposal of the Bank's assets and the production of a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation proposal and present it to the shareholders' general meeting or to the people's court for confirmation.

The Bank's assets for repayment of the Bank's debts shall be distributed according to the following order:

- (I) to pay the liquidation costs;
- (II) to pay the wages of the Bank's staff and workers, social insurance premiums and statutory compensation monies;
- (III) to pay the principal and interests of the personal saving deposits;
- (IV) to pay all outstanding taxes;
- (V) to settle the Bank's debts;

Allocations shall not be made to the shareholders before the Bank's assets are settled according to the foregoing provisions. Any remaining assets of the Bank subsequent to the settlement of its debts in accordance with the foregoing provisions shall be distributed to the shareholders based on the respective shareholding of each shareholder. During liquidation, the Bank continues to exist but shall not commence any business activities not related to the liquidation.

Article 303 The liquidation committee shall immediately apply to the people's court for a declaration of bankruptcy in accordance with law upon approval by the relevant competent authorities if it becomes aware, upon the liquidation the Bank's assets and production of a balance sheet and an inventory of assets, that the Bank's assets are insufficient to repay its debts in full.

Upon the Bank being declared bankrupt by a ruling of the people's court, the liquidation committee shall transfer to the people's court all matters arising out of the liquidation.

Article 304 In the event that the Bank has failed to pay the matured debts, the people's court shall declare bankruptcy according to laws upon consent of the relevant competent authorities. The people's court shall organize the relevant authorities including CBRC and the relevant personnel to set up the liquidation committee to proceed with the liquidation.

Article 305 Following completion of the Bank's liquidation, the liquidation committee shall prepare a liquidation report, a statement of income and expenses and financial accounts during the period of the liquidation, which shall be verified by a PRC registered accountant and submitted to the shareholders' general meeting or the relevant competent authorities for confirmation.

The liquidation committee shall, within 30 days from the date of confirmation by the relevant competent authorities, submit the foregoing documents to the company registration authorities for application for cancellation of the Bank's registration and publish an announcement in respect of the termination of the Bank.

CHAPTER 17 NOTICES

Article 306 The notice mentioned in the Articles shall be issued in one or more than one ways as follows:

- (I) sent by hand;
- (II) sent by mail or speed post;
- (III) sent by facsimile or email;
- (IV) on the premise of complying with the relevant stipulations of the laws, regulations, rules, regulatory documents, and relevant provisions made by the securities regulatory organ at the place where the shares of the Bank are listed, by means of release via the website of the Bank and the website specified by the stock exchange at the place where the shares of the Bank are listed;
- (V) by means of announcement in the newspaper or other specified media;
- (VI) other form as previously agreed between the Bank and the recipient or recognized by the recipient after receipt of the notice;
- (VII) other form recognized by the securities regulatory organ at the place of listing the shares of the Bank or stipulated by the Articles.

Even though the Articles have stipulated otherwise for the form of release or notice of any document, notice or other communication, on the premise of complying with the relevant stipulations of the securities regulatory organ at the place where the shares of the Bank are listed, the Bank may select the form of notice stipulated in (IV) of the first paragraph of this Article to release the communication of the Bank, so as to replace the form of sending the written documents by hand or by mail with prepaid postage to every holder

of the overseas listed foreign shares. The foregoing communication of the Bank refers to any document issued or to be issued by the Bank for reference by the shareholders or for taking action, including but not limited to the annual report (including the annual financial report), the interim report (including the interim financial report), the directors' report (together with the balance sheet and the income statement), the notice for the shareholders' general meeting, the circular and other communication documents.

Article 307 In the event that the relevant stipulations of the securities regulatory organ at the place where the shares of the Bank are listed require the Bank to dispatch, mail, distribute, announce or otherwise the relevant documents of the Bank in both English and Chinese, the Bank (according to the wish stated by the shareholder) dispatch either the English or the Chinese version only to the relevant shareholder, provided that the Bank has made appropriate arrangement to confirm whether its shareholders only wish to receive either the English or the Chinese version and within the scope permitted by the applicable laws and regulations, and according to the applicable laws and regulations.

Article 308 For notice sent by hand, the recipient shall sign (or chop) on the slip of being served. The date of the receipt acknowledged by the recipient shall be the date of being served. For notice sent by mail, the date of being served shall be 48 hours from the date of sending to the post office. For notice sent by facsimile or email or release via the website, the issue date shall be the date of being served. The date of being served shall be subject to the date indicated on the report slip of the facsimile. For notice sent by means of announcement, the date of being served shall be the first of publishing the announcement and the relevant announcement shall be published in the newspaper in compliance with the relevant stipulations.

Article 309 In the event of omission by accident, the notice for meeting has not been sent to a certain person entitled to receive the notice or such person has not received the notice for meeting, the meeting concerned and the resolution adopted at such meeting shall not be invalidated.

CHAPTER 18 AMENDMENTS OF THE ARTICLES

Article 310 The Bank shall amend the articles of association when any of the following occurs:

- (I) After amendments to the Company Law or the relevant laws, regulations, rules and regulatory documents, the matters stipulated in the Articles are in conflict with the provisions of the amended laws, regulations, rules and regulatory documents;
- (II) There are changes in the conditions of the Bank thereby making them inconsistent with the matters set out in the Articles;
- (III) A decision is made at the shareholders' general meeting to amend the Articles.

Article 311 Amendments to the Articles, after an amendment proposal submitted by the Board of Directors, shall be considered and approved at a shareholders' general meeting. If the amendments to the Articles approved at a shareholders' general meeting have to be examined and approved by the relevant competent authorities, the same shall be submitted to the relevant competent authorities for approval. If the Bank's registration matters are involved, the Bank shall apply for registration of the changes according to law.

Article 312 The Board of Directors shall amend the Articles according to the resolutions on amending the Articles passed at a shareholders' general meeting and the approval opinions of the relevant competent authorities.

Article 313 Where the amendments to the Articles involve matters requiring disclosure by laws, regulations, rules and regulatory documents, the amendments shall be announced in accordance with the relevant provisions.

CHAPTER 19 DISPUTE RESOLUTIONS

Article 314 The Bank shall abide by the following rules for dispute resolution:

- (I) Any disputes or claims arising between holders of overseas listed foreign shares and the Bank, between holders of overseas listed foreign shares and the Bank's directors, supervisors and other senior management personnel, or between holders of overseas listed foreign shares and other shareholders, with respect to any rights or obligations by virtue of the Articles, the Company Law and any rights or obligations stipulated by any other relevant laws and administrative regulations concerning the affairs of the Bank, shall be submitted to arbitration.

When the aforementioned dispute or claim of rights is submitted to arbitration, the entire claim or dispute shall be submitted for arbitration, and all persons whose causes of action were based on the same ground or the persons whose participation is necessary for the resolution of such dispute or claim, shall comply with the arbitration, where such person is the Bank, the Bank's shareholders, directors, supervisors, president or other senior management personnel.

Disputes with respect to the definition of shareholders and disputes concerning the register of shareholders need not be resolved by arbitration.

- (II) A claimant may select an arbitration to be carried out either by the China International Economic and Trade Arbitration Commission in accordance with its rules or the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. Once a claimant submits a dispute or claim of rights to arbitration, the other party must conduct the arbitration at the arbitration organ selected by the claimant.

If a claimant selects Hong Kong International Arbitration Centre as the arbitration organ, either party may apply for the arbitration to be conducted in Shenzhen in accordance with the securities arbitration rules of Hong Kong International Arbitration Centre.

- (III) If any disputes or claims of rights as a result of item (I) of this Article are resolved by arbitration, the laws of the PRC shall apply, except otherwise provided by laws and administrative regulations.
- (IV) The award of the arbitration organ shall be final and conclusive and binding on all parties.

CHAPTER 20 SUPPLEMENTARY PROVISIONS

Article 315 The Board of Directors may formulate the implementation rules according to the provisions of the Articles. The implementation rules shall not be in conflict with the provisions of the Articles.

Any matters not fully covered by the Articles and the implementation rules shall be handled according to the relevant laws, regulations, rules and regulatory documents, based on the actual situation of the Bank. In the event that the Articles contradict the stipulations of the laws, regulations, rules, regulatory documents and the securities regulatory rules of the place where the shares of the Bank are listed promulgated from time to time, the current effective stipulations of the laws, regulations, rules, regulatory documents and the securities regulatory rules of the place where the shares of the Bank are listed shall prevail.

Article 316 The Articles are written in Chinese. In the event of discrepancies between the Articles and those versions in any other languages or other different versions, the Chinese version of the Articles recently approved by CBRC for registration and having been recently registered and filed with the State Administration for Commerce and Industry shall prevail.

Article 317 For the purpose of the Articles, references to “above”, “within” and “below” in the Articles shall include the stated figures, while references to “under”, “beyond” and “exceed” shall exclude the stated figures.

Article 318 Except when stipulated otherwise by relevant laws, regulations, rules and regulatory documents, the Board of Directors of the Bank shall take charge of interpreting the Articles. In the event that the Articles contradict the latest amended laws, regulations, rules and regulatory documents, the new laws, regulations, rules and regulatory documents shall prevail.