

Articles of Association
of
Bank of Tianjin Co., Ltd.

Approved at the second extraordinary general meeting of 2017 held by Bank of Tianjin Co., Ltd. on September 15, 2017

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Chapter 1 General Provisions

Article 1 For the purpose of protecting the legitimate rights and interests of Bank of Tianjin Co., Ltd. (hereinafter referred to as the “Bank”), its shareholders and creditors, and of standardizing the organization and activities of the Bank, the Articles of Association of the Bank (hereinafter referred to as the “Articles”) are hereby formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Banking Supervision and Regulatory Law of the People’s Republic of China (hereinafter referred to as the “Banking Supervision and Regulatory Law”), the Commercial Banking Law of the People’s Republic of China (hereinafter referred to as the “Commercial Banking Law”), the Special Regulations of the State Council on the Overseas Offering and the Listing of Shares by Joint Stock Limited Companies (hereinafter referred to as the “Special Regulations”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas, the Guidelines on Corporate Governance of Commercial Banks and the Rules Governing the Listing of Securities on The Hong Kong Stock Exchange (hereinafter referred to as the “Listing Rules”) as well as other relevant laws, regulations and rules.

Article 2 The Bank is a joint stock limited company established in accordance with the Company Law, the Commercial Banking Law and other relevant provisions.

The Bank was established by way of promotion pursuant to the Approval of the Establishment of Tianjin Urban Cooperative Bank (Yin Fu [1996] No. 155) granted by the People’s Bank of China and the Approval of the Opening of Tianjin Urban Cooperative Bank (Yin Fu [1996] No. 352) granted by the People’s Bank of China, and obtained the financial license. The Bank was registered with the Tianjin Administration for Industry & Commerce and obtained its business license on November 6, 1996. The Bank’s license number is 120000000007636.

Article 3 Registered name of the Bank:

Chinese name in full: 天津銀行股份有限公司, Chinese name in short: 天津銀行

English name in full: BANK OF TIANJIN CO., LTD., English name in short: BANK OF TIANJIN

Address of the Bank: 15 Youyi Road, Hexi District, Tianjin; Postal code: 300201.

Article 4 The registered capital of the Bank is RMB6,070,551,822.

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

Article 6 The legal representative of the Bank shall be the chairman of its Board of Directors.

Article 7 The total capital of the Bank is divided into shares of equal par value, and the shareholders shall bear liability for the Bank to the extent of the shares held by them, and the Bank shall bear liability for its debts to the extent of its total assets.

Article 8 Upon the coming to effect of these Articles, it shall constitute a legally binding document governing the organization and activities of the Bank, and defines the rights and obligations between the Bank and its shareholders, and among the Bank’s shareholders themselves. It shall be binding on the Bank, its shareholders, directors, supervisors, and senior management officers.

Pursuant to these Articles, the shareholders may institute lawsuits against other shareholders of the Bank, the shareholders may institute lawsuits against the directors, supervisors and senior management officers of the Bank, the shareholders may institute lawsuits against the Bank, and the Bank may institute lawsuits against the shareholders, directors, supervisors and senior management officers of the Bank.

The lawsuits referred to in the preceding paragraph shall include lawsuits instituted in a court or applications to arbitration institutions for arbitration.

The senior management officers referred to in these Articles shall mean the president, vice presidents, person(s) responsible for financial affairs, Secretary to the Board of Directors of the Bank and management personnel as designated by the Bank in accordance with the prevailing situation.

Article 9 The Bank shall, in accordance with the relevant provisions in the Constitution of the Communist Party of China (the “CPC”), set up the CPC organization, establish the working mechanism of the CPC carry out the CPC’s activities, adhere to the CPC’s leadership, enhance the CPC’s building, exert the role of the CPC organization and ensure the policies and major strategies of the CPC and the state to be observed and implemented in our Bank.

Article 10 The Bank operates various kinds of commercial banking activities in accordance with the laws under the supervision of the relevant government departments.

Article 11 In view of the need for business development and subject to approval of the banking regulatory authorities and other regulatory authorities, the Bank may set up, change or cancel, according to laws, administrative regulations, departmental rules, regulatory documents of the PRC and other relevant countries or regions and these Articles, such entities, including but not limited to branches (branch companies), bank subsidiaries (subsidiary companies) and representative offices in the PRC or outside the PRC.

Article 12 The Bank adopts a class one legal person system. With the exception of bank subsidiaries (subsidiary companies), the branch and sub-branch entities of the Bank shall not have independent legal person qualification. These entities shall carry out their operations in accordance with the laws and within the scope of authority granted by the Bank, and be uniformly managed by the Bank. The head office of the Bank shall assume their civil liabilities.

Article 13 The Bank implements the financial system of unified auditing, unified transfer of capital and management at various levels in relation to the branch organs.

Article 14 The Bank exercises central administration over the major personnel appointment and removal, business policies, fund transfers, basic rules and regulations and external affairs of branch and sub-branch entities.

Article 15 The Bank may invest in other limited liability companies, joint stock limited companies and other legal persons according to laws, and shall assume responsibilities to any such invested corporations to the extent as limited by its capital contribution or shares subscribed.

Article 16 The Bank may establish certain special committees and internal management organs according to the requirements of business operation and management.

Chapter 2 Objectives and Scope of Business

Article 17 The business objectives of the Bank are: to be based on laws, administrative regulations, departmental rules and regulatory documents, to strive to create a good bank with shareholder satisfaction, distinct features, customer confidence and staff pride in the Bank, in a customer-focused and market-oriented manner.

Article 18 Upon registration pursuant to the laws, the business scope of the Bank is:

- (1) receiving deposits of the public;
- (2) granting short-term, medium-term and long-term loans;
- (3) handling settlement within the PRC;
- (4) handling bills discounting;
- (5) issuing financial bonds;
- (6) acting as agents in issuance, honoring and underwriting of government bonds;
- (7) buying and selling government bonds;
- (8) inter-bank borrowings;
- (9) providing guarantees;
- (10) acting as agent in the collection and payment of monies and insurance business;
- (11) providing safe deposit box services;
- (12) handling entrusted loans for local financial administration revolving credit;
- (13) foreign exchange deposits, foreign exchange loans;
- (14) foreign exchange remittances, foreign currency conversion;
- (15) international settlement;
- (16) settlement and sale of foreign exchange;
- (17) foreign exchange inter-bank borrowings;
- (18) foreign exchange guarantees;
- (19) foreign exchange borrowings;
- (20) providing foreign currency bills acceptances and discounting services;
- (21) credit investigation, advisory and witnessing businesses;

- (22) trading and trading as agent of foreign currency securities apart from stocks;
- (23) engaging in proprietary trading and trading on behalf of customers in foreign exchange;
- (24) other businesses as approved by the China Banking Regulatory Commission.

Chapter 3 Shares

Section 1 Issuance of Shares

Article 19 The Bank shall have ordinary shares at all times. All of the currently issued shares of the Bank are ordinary shares.

Article 20 The Bank may issue other classes of shares according to its needs, in accordance with the applicable laws and regulations and upon the approval by the shareholders' general meeting of the Bank and upon submissions to the relevant regulatory authorities for approval. In appropriate circumstances, the Bank shall ensure enough voting rights for preferred shareholders.

Article 21 The shares in the Bank shall be issued in a fair and just manner and each share of the same class shall have the same rights.

The conditions of issuance and price of each share of the same class shall be the same in each issue. Any entity or individual shall pay the same price for each share subscribed.

Article 22 The ordinary shares issued by the Bank shall have a par value denominated in Renminbi. The par value of each share shall be Renminbi.00. Relevant laws and regulations apply to the par value of preferred shares and other kinds of shares being approved to be issued.

Article 23 Subject to approval by the banking regulatory authorities and securities regulatory authorities or other relevant regulatory authorities, the Bank may issue its shares to domestic and foreign investors.

The overseas investors mentioned in the preceding paragraph refer to investors in overseas countries, Hong Kong Special Administrative Region of the People's Republic of China (hereinafter referred to as the "PRC") (hereinafter referred to as "Hong Kong"), Macau Special Administrative Region and Taiwan Region who subscribe for the shares issued by the Bank; and domestic investors refer to investors in the PRC, excluding the regions mentioned above, who subscribe for the shares issued by the Bank.

Article 24 The shares issued by the Bank to domestic investors for subscription in Renminbi shall be referred to as domestic shares. The shares issued by the Bank to overseas investors for subscription in foreign currencies shall be referred to as foreign shares. Foreign shares listed overseas shall be referred to as overseas-listed foreign shares. Shareholders of domestic shares and shareholders of overseas-listed foreign shares are both shareholders of ordinary shares.

Overseas-listed foreign shares issued by the Bank and listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Stock Exchange") shall be referred to as H shares.

The foreign currencies mentioned in the preceding paragraph refer to the legal currencies, other than Renminbi, of other countries or regions which are recognized by the PRC foreign exchange administration authorities for payment to the Bank for share capital.

Domestic shares issued by the Bank are retained under centralized depository of the relevant securities depository institutions for safe custody; whereas the H shares of the Bank are mainly retained under the safe custody of entrusted Hong Kong securities clearing companies, and such shares may also be held under the personal names of shareholders.

Shareholders of the Bank may trade their unlisted shares in overseas stock exchanges upon approval from the relevant regulatory authorities, such as the banking regulatory authorities and the securities regulatory authorities. The listing and trading of the aforementioned shares shall comply with the regulatory procedures, rules and requirements of overseas stock exchanges. No approval by class shareholders' meeting is required for the listing and trading of the aforementioned shares on an overseas stock exchange.

Article 25 With the approval by the People's Bank of China and approval by the departments as authorized by the State Council, the Bank's share capital on incorporation in 1996 was 1,009,973,700 shares.

Article 26 The total number of ordinary shares that the Bank can issue upon approval by the approval departments and other securities regulatory authorities as authorized by the State Council is 6,031,047,731 shares. The Bank's share capital structure is: 6,031,047,731 ordinary shares, among which 4,309,903,168 are domestic shares, representing 71.46% of the total shares issued by the Bank; and 1,721,144,563H shares, representing 28.54% of the total shares issued by the Bank.

Article 27 Subject to approval of the Bank's plan to issue overseas-listed foreign shares and domestic shares by the securities supervisory authorities, the Board of Directors of the Bank may implement arrangements regarding the issuance of the shares respectively.

The Bank may respectively implement its plan to issue overseas-listed foreign shares and domestic shares pursuant to the preceding paragraph within fifteen (15) months from the date of approval by the securities regulatory authority.

Article 28 In the event that there are overseas-listed foreign shares and domestic shares included in the total number of shares stated in the said plan, such shares shall be fully subscribed for at their respective offerings. If these shares cannot be fully subscribed due to special circumstances, such shares may be issued in separate tranches subject to the approval by the securities regulatory authorities.

Section 2 Financial Assistance for Purchase of Shares of the Bank

Article 29 The Bank or the branch and sub-branch entities and subsidiary banks (subsidiary companies) of the Bank shall not offer any financial assistance at any time by any means to purchasers or prospective purchasers of the Bank's shares in relation to purchases or prospective purchases. 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 branch and sub-branch entities and subsidiary banks (subsidiary companies) of the Bank shall not offer any financial assistance at any time by any means in order to reduce or relieve the obligations of the aforesaid purchasers.

This clause does not apply to the circumstances as defined in Article 30 of these Articles.

Article 30 The “financial assistance” referred to in Article 28 shall include but not limited to the following means:

- (1) donation;
- (2) 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;
- (3) providing loans or entering into a contract in which the Bank performs its obligations prior to other parties; change of the parties to such loans and contract as well as assignment of rights in such loans and contract;
- (4) financial assistance provided by the Bank in any other form when the Bank is unable to repay its debts or has no net assets or where such financial assistance will lead to significant decrease of net assets.

The obligations referred to in Article 28 and Article 29 of these Articles shall include the obligations borne by the obligator by signing a contract or making an arrangement (regardless of whether or not the aforesaid contract or arrangement can be mandatorily enforced, or whether or not such obligations are assumed by the obligator individually or jointly with other persons) or changing its financial position in any other ways.

Article 31 The following acts shall not be deemed as the acts forbidden under Article 28 of these Articles, subject to any prohibitions by the relevant laws, administrative regulations, departmental rules and statutory documents:

- (1) where the Bank provides the relevant financial assistance genuinely 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 assistance is an incidental part of an overall plan of the Bank;
- (2) distribution of the Bank’s property in the form of dividends in accordance with the laws;
- (3) distribution of dividends in the form of shares;
- (4) reduction of registered capital, share repurchase, adjustment of share holding structure, etc., in accordance with these Articles;
- (5) 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, if it constitutes a reduction, the financial assistance is paid out of the Bank’s distributable profits);
- (6) provision of funds by the Bank for an employee shareholding scheme (provided that the provision does not lead to a reduction in the net assets of the Bank, if it constitutes a reduction, the financial assistance is paid out of the Bank’s distributable profits).

Section 3 Increase and Reduction of Shares and Share Repurchase

Article 32 Pursuant to the needs of operation and business development and in accordance with relevant laws and regulations, the Bank may, subject to proposal of the Board of Directors and resolutions of the general meeting of shareholders and approval of relevant regulatory authorities, increase its registered capital in the following ways:

- (1) public offering;
- (2) non-public offering;
- (3) allotting new shares to existing shareholders;
- (4) transferring capital reserve to share capital;
- (5) other methods permitted by relevant competent authorities or by laws and regulations.

After being approved according to these Articles, the Bank's increase of capital by issuing new shares shall be conducted in accordance with the procedures provided in the relevant laws and administrative regulations.

Article 33 The Bank may reduce its registered capital. Any reduction of registered capital of the Bank shall be made in compliance with the Company Law, the Commercial Banking Law and other applicable regulations and the procedures specified in these Articles.

A balance sheet and a list of properties shall be prepared for the reduction of the Bank's registered capital.

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

Article 34 Subject to the laws, administrative regulations, departmental rules and these Articles and upon approvals of the relevant competent regulatory authorities of the PRC, the Bank may repurchase its issued shares under one of the following circumstances:

- (1) reduction of registered capital of the Bank;
- (2) merger with other companies that hold shares in the Bank;
- (3) rewarding the employees of the Bank with shares;
- (4) repurchasing is demanded by shareholders who disagree to the resolution of the shareholders' general meeting on the merger or division of our Bank;
- (5) other circumstances permitted by the applicable laws, administrative regulations and relevant regulatory authorities.

Save for the above circumstances, the Bank shall be prohibited from trading in any shares of the Bank.

Article 35 Subject to approval of the relevant regulatory authority of the State, the Bank may repurchase its shares in one of the following ways:

- (1) offering to repurchase from all shareholders on a pro rata basis;
- (2) repurchasing of shares in open market on a stock exchange;
- (3) repurchasing by means of an agreement outside of a stock exchange;
- (4) by other means as permitted by the applicable laws and regulations or as approved by the relevant regulatory authority of the State.

In relation to shares cancelled by the Bank as a result of share repurchases, filings shall be made with the industry and commerce registration administration for change of its registered capital. The total par value of the shares so cancelled shall be deducted from the registered capital of the Bank.

Article 36 Approval shall be obtained at a shareholders' general meeting when the Bank is to repurchase its own shares because of the circumstances set out in (1) to (3) of Article 33 of these Articles. After the Bank has repurchased its own shares in accordance with Article 33, the shares so repurchased shall be cancelled within ten (10) days from the date of repurchase (under the circumstances set out in (1)), or shall be transferred or cancelled within six (6) months (under the circumstances set out in (2) and (4)).

The shares of the Bank repurchased by the Bank under the circumstances set out in (3) of Article 33 shall not exceed 5% of the total issued share capital of the Bank. The funds for repurchase of such shares shall be paid out of the Bank's profits after taxation, and the acquired shares shall be transferred to the Bank's employees within one year.

Article 37 Where the Bank is to repurchase its shares via an off-market agreement, prior approval shall be obtained from the shareholders at a general meeting in accordance with these Articles. The Bank may, having first obtained the prior approval of shareholders at a general meeting, rescind or alter contracts concluded in the aforementioned manner or waive any of its rights under such contracts.

For the purposes of the preceding paragraph, contracts for the share repurchase shall include (but not limited to) agreements in connection with the assumption of the obligations and the entitlement of the rights to repurchased shares.

The Bank shall not assign any contract for the repurchase of its shares or any of its rights provided therein.

Where the Bank has the right to repurchase redeemable shares, the repurchase price shall be set at a certain maximum price if the repurchases are not made through the market or by tender. If repurchases are by tender, tender offers shall be made available to all shareholders in the same manner.

Article 38 Unless the Bank is undergoing liquidation, it shall comply with the following requirements with respect to a repurchase of its issued shares:

- (1) for repurchases of shares by the Bank at their par value, payment shall be made from the book balance of its distributable profits or from the proceeds of a new issuance of shares for that purpose;
- (2) where the Bank repurchases its shares at a premium to its par value, payment up to the par value shall be made from the book balance of its distributable profits or from the proceeds of a new issuance of shares for that purpose. Payment of the portion which is in excess of the par value shall be made as follows:
 - (i) if the shares being repurchased are issued at par value, payment shall be made from the book balance of its distributable profits;
 - (ii) if the shares being repurchased are issued at a premium to its par value, payment shall be made from the book balance of its distributable profits or from the proceeds of a new issuance of shares for that purpose. However, the amount deducted from the proceeds of the new issuance of shares shall not exceed the aggregate amount of the premium received by the Bank from the issuance of the shares so repurchased, nor shall it exceed the amount in the Bank's premium account (or capital reserve fund account) (including premium on the new issue) at the time of such repurchase.
- (3) The Bank shall make the following payments from the Bank's distributable profits:
 - (i) payment for acquisition of the rights to repurchase its own shares;
 - (ii) payment for the variation of any contracts for the repurchase of its shares;
 - (iii) payment for the release from its obligations under any repurchase contracts.
- (4) After the aggregate par value of the cancelled shares is deducted from the Bank's registered capital in accordance with the relevant provisions, the amount deducted from the distributable profits used for the repurchase of the shares at par value shall be credited to the Bank's premium account (or its capital reserve fund account).

If there are applicable provision(s) to the contrary regarding the aforementioned share repurchases in the laws, administrative regulations, and relevant regulations of the relevant regulatory authorities, those provision(s) shall prevail.

Section 4 Transfer of Shares

Article 39 Unless otherwise specified by the relevant laws, administrative regulations and the regulations of the securities regulatory authorities in the jurisdiction in which the shares of the Bank are listed, the fully paid shares of the Bank may be transferred legally without any lien attached.

Registration shall be made in the share registrar authorized by the Bank for the transfer of the shares of the Bank.

Transfer of shares in our Bank shall be in compliance with the relevant regulations of the regulatory authorities such as the banking regulatory.

Article 40 The Bank shall not accept the shares of the Bank as pledges.

Article 41 Shares which have been in issue before the Bank's public offering shall not be transferred within one year from the date of the Bank's listing and trading on a stock exchange.

Directors, supervisors and senior management officers of the Bank shall inform the Bank about their holdings of the shares in the Bank and any changes in their shareholding in time. During their terms of office, the shares transferred each year shall not exceed 25% of the total number of shares held by any such aforementioned persons. The shares of the Bank held by any such aforementioned persons shall not be transferred within one year from the date of listing on the exchange. Any such aforementioned persons shall not transfer shares of the Bank held by them within six months after they cease to be employed.

If the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed have other restrictions on transfers of overseas-listed foreign shares, those provision(s) shall be complied with too.

Article 42 All fully-paid H shares are freely transferable in accordance with these Articles. However, the Board of Directors may refuse to recognize the instruments of transfer without having to state any reason unless the conditions stipulated below are met:

- (1) the instrument of transfer and other documents, which are related to and may affect the ownership of any registered securities, shall be registered, and the standard fee prescribed by Hong Kong Stock Exchange in the Listing Rules in relation to such registration been paid to the Bank, for the registration of transfer documents and other documents which relate to or may affect the title of any shares;
- (2) the instrument of transfer are only in relation to H shares;
- (3) stamp duty (as stipulated by the laws of Hong Kong) which is payable for the instrument of transfer has been duly paid;
- (4) the relevant share certificate(s) and any other evidence which the Board of Directors may reasonably require to show that the transferor has the right to transfer the shares have been provided;
- (5) where the shares are intended to be transferred to joint holders, the number of such joint shareholders is not more than four (4);
- (6) the shares are free and clear of any lien of the Bank.

If the Board of Directors refuses to register any transfer of shares, the Bank shall issue a notice to the transferor and the transferee within 2 months from the date on which the transfer application has been duly submitted, to notify them of the refusal to register such transfer.

Article 43 All transfers of H shares shall adopt written instruments of transfer in writing in an ordinary or usual form or in any other form acceptable to the Board of Directors (including standard transfer form or other form of transfer as prescribed by the Hong Kong Stock Exchange from time to time). The instruments of transfer may be signed by hand or (where the transferor or transferee is a corporation) sealed with the company's seal. Where the transferor or transferee is a recognized clearing house as defined by relevant regulations in accordance with the Law of Hong Kong from time to time (hereinafter referred to as the "recognized clearing house"), or its proxy, the instruments of transfer may be signed by hand or in a machine-imprinted format.

All instruments of transfer shall be kept at the legal address of the Bank or the addresses designated by the Board of Directors from time to time.

Article 44 Any entity or individual which or who purchases the issued shares of the Bank shall be subject to the requirements of the banking regulatory and administrative authority. The substantial shareholders shall make a true, accurate and complete disclosure of the particulars of the related parties to the Board, and undertake to promptly report to the Board in case of any changes of their relationship.

Chapter 4 Shareholders and Shareholders' General Meeting

Section 1 Share Certificate and Register of Shareholders

Article 45 Share certificates of the Bank shall be in registered form and shall specify the following major items:

- (1) name of the Bank;
- (2) date of the Bank's establishment;
- (3) the class of the share certificate, the par value and the number of shares represented by each share certificate;
- (4) serial number of the share certificate;
- (5) other matters that must be specified according to the securities regulatory authorities in the jurisdiction in which the shares of the Bank are listed;
- (6) other matters that must be specified according to the Company Law and other relevant laws and administrative regulations.

The overseas-listed foreign shares of the Bank may be in the form of foreign depository receipts or in other derivative forms of shares in accordance with the laws and the securities registration and depository practices prevailing of the jurisdiction in which the shares of the Bank are listed.

Article 46 The share certificates of the Bank shall be signed by the chairman of the Board of Directors. Where the securities regulatory authorities in the jurisdiction in which the shares of the Bank are listed require senior management officers to sign the share certificates, the share certificates shall be signed by senior management officers. The share certificates shall become effective after a seal of the Bank is affixed or imprinted thereon. The affixation of the Bank's seal on the share certificates shall be subject to the authorization of the Board of Directors. The signatures of the chairman of the Board of Directors or relevant members of senior management of the Bank on the share certificates can be provided in printed form.

When scripless shares of the Bank are issued and traded, the applicable provisions of the securities regulatory authorities in the jurisdiction in which the shares of the Bank are listed shall be followed.

Article 47 Establishment of register of shareholders. Unless there is proof to the contrary, the register of shareholders shall be the sufficient evidence of the holding of the shares of the Bank by a shareholder.

The register of shareholders shall register the following particulars or conduct the registration of shareholders pursuant to the provisions of the laws, administrative regulations and the Listing Rules:

- (1) the name (description), address (domicile), occupation or nature of each shareholder;
- (2) the class and number of shares held by each shareholder;
- (3) the amount paid or payable for the shares held by each shareholder;
- (4) the serial number of the shares held by each shareholder;
- (5) the date on which each shareholder is registered as a shareholder;
- (6) the date on which each shareholder ceases to be a shareholder.

Pursuant to an understanding and agreement reached between the securities regulatory authority and overseas securities regulatory authority, the Bank may keep its registers of shareholders of overseas-listed foreign shares outside the PRC and appoint an overseas agent to manage these registers. The original register of shareholders of H shares shall be kept in Hong Kong.

The Bank shall keep at its domicile duplicates of the registers of shareholders of overseas-listed foreign shares. The appointed overseas agent shall ensure that the originals and the duplicates of these registers are consistent at all times.

In the event that there is any inconsistency between the originals and the duplicate of the registers of shareholders of overseas-listed foreign shares, the originals shall prevail.

Article 48 The Bank shall keep a complete register of shareholders. The register of shareholders shall comprise the following sections:

- (1) the register kept at the Bank's domicile, apart from those mentioned under items (2) and (3) of this Article;
- (2) the registers of shareholders of the overseas-listed foreign shares kept at the location(s) of the stock exchange(s) on which the shares are listed;
- (3) any other register of shareholders kept at such other places as the Board of Directors deems necessary for the purpose of listing the shares of the Bank.

Article 49 Sections in the register of shareholders shall not overlap with each another. The transfer of shares registered in a certain section of the register of shareholders shall not be registered in any other section of the register during the continuance of the registration of such shares.

Any changes or corrections of any section of the register of shareholders shall be effected in accordance with the laws of the jurisdiction in which that part of the register of shareholders is kept.

Article 50 No changes shall be made to the register of shareholders as a result of a transfer of shares either within thirty days prior to the date of a shareholders' general meeting, or within five days before the reference date set by the Bank for the purpose of distribution of dividends.

If alternate provisions are stipulated by the securities regulatory authority located in the jurisdiction where the shares of the Bank are listed, those provisions shall apply.

Article 51 When the Bank convenes a shareholders' general meeting, distributes dividends, undergoes liquidation or engages in any other act that is subject to the confirmation of shareholdings, the Board of Directors or the convener of the shareholders' general meeting shall stipulate a date for shareholding registration. The shareholders who are recorded in the register of shareholders at the end of the date for shareholding registration shall be the shareholders who are entitled to the relevant rights and interests.

Article 52 Anyone with objections in relation to the register of shareholders and requesting to register his/her name (description) in the register of shareholders or to remove his/her name (description) from the register of shareholders shall have the right to apply to the court having the appropriate jurisdiction in order to rectify the register.

Article 53 Any person who is a registered shareholder or who requests his name (description) be entered in the register of shareholders may, if his share certificates (i.e. the "Original Share Certificate") are lost, apply to the Bank for replacement certificates in respect of such shares (i.e. the "Relevant Shares").

Shareholders holding domestic shares who apply for the replacement of share certificates shall comply with the relevant provisions of the Company Law.

Shareholders holding overseas-listed foreign shares who apply for the replacement share certificates shall comply with the laws, the rules of the stock exchange and other relevant regulations of the jurisdiction in which the original registers of shareholders holding overseas-listed foreign shares are kept.

If the share certificates held by shareholders of H shares are lost, the replacement application shall comply with the following requirements:

- (1) Applicants shall submit an application via a standard form designated by the Bank alongside a notarial certificate or statutory declaration. The notarial certificate or statutory declaration shall include the reason why the applicant is making the application, the circumstances in which the share certificate(s) was/were lost with supporting evidence, and a declaration that no other persons can request to be registered as a shareholder in respect of the Relevant Shares;
- (2) The Bank has received no declarations from anyone other than the applicant requesting registration as a shareholder over such shares before the Bank decides to issue replacement share certificates;
- (3) If the Bank decides to issue the replacement share certificates to the applicant, an announcement of its intention to issue the certificates shall be published in a newspaper designated by the Board of Directors. The period for this announcement shall be 90 days and the announcement shall be published at least once every 30 days during this period;
- (4) Prior to the publication of the aforesaid announcement, the Bank shall submit a copy of the proposed announcement to the stock exchange on which its shares are listed, and shall publish the announcement after obtaining the stock exchange's confirmation that the announcement has been displayed at the stock exchange. The announcement shall be displayed at the stock exchange for 90 days.

If the shareholders of the Relevant Shares registered on the register of shareholders do not consent to the issuance of replacement share certificates, the Bank shall send a copy of the proposed announcement to such shareholders by post;

- (5) Upon the expiry of the 90-day publication period for the announcement as stipulated in (3) and (4) of this Article, if no objections are received by the Bank regarding the issue of replacement share certificates, replacement share certificates shall be issued in accordance with the submitted application.
- (6) Once replacement share certificates are issued pursuant to this Article, the Bank shall immediately cancel the Original Share Certificates, and this cancellation and replacement shall be recorded in the register of shareholders.
- (7) All expenses incurred by the Bank in connection with the cancellation of the Original Share Certificates and the issuance of replacement share certificates shall be borne by the applicant. The Bank is entitled to refuse to take any action unless the applicant provides a reasonable guarantee that it can pay the expenses.

Where power is taken 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.

Article 54 After the Bank issues replacement share certificates in accordance with these Articles, the names (description) of the bona fide purchasers who obtain the replacement share certificates or the shareholders who subsequently register as the owner of such shares (provided that they are bona fide purchasers) shall not be removed from the register of shareholders.

Article 55 The Bank shall not assume any compensatory obligations towards persons who may suffer loss from the Bank's cancellation of the lost Original Share Certificates or the issuance of replacement share certificates, unless such persons can prove fraud on the part of the Bank.

Section 2 Shareholders and Shareholders' Rights

Article 56 A shareholder of the Bank is a person who lawfully holds shares of the Bank and whose name (description) is entered in the register of shareholders.

Shareholders of the Bank shall comply with the requirements of the relevant regulatory authorities such as the banking regulatory and other administrative authorities.

A shareholder shall enjoy rights and assume obligations according to the class and amount of shares held. Shareholders who hold shares of the same class will have the same rights and obligations.

Where two or more persons are registered as the joint holders of any shares, they shall be deemed as the joint owners of such shares, provided that they are subject to the following constraints:

- (1) the Bank shall not register more than 4 persons as the joint holders of any share(s);
- (2) all the joint holders of any share(s) shall be jointly and severally liable for payment of all amounts due from such share(s);
- (3) if one of the joint shareholders is deceased, only the surviving persons among the joint shareholders shall be regarded as the owners of relevant shares of the Bank, provided that the Board of Directors shall have the right to require the surviving persons to provide a certificate of death which the Board of Directors deem appropriate for the purpose of changing the register of shareholders;
- (4) as far as joint shareholders of any shares are concerned, only the joint shareholder whose name appears first in the register of shareholders has the right to receive the share certificates of the relevant shares from the Bank, to receive notices of the Bank; and any notice served on such a shareholder shall be deemed as having been served on all the other joint shareholders of those shares. Any joint shareholder may sign the proxy form, provided that if more than one joint shareholders attend the general meeting in person or by proxy, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members in respect of the joint shareholding.

With regard to the joint shareholders of any shares, if the Bank pays distribution or allotment such as dividend, bonus or return on capital that should be paid to the joint shareholders to any one shareholder among the joint shareholders, the payment shall be regarded to have paid the aforesaid distribution or allotment to all the joint shareholders of relevant shares.

Article 57 Holders of the ordinary shares of the Bank shall enjoy the following rights:

- (1) to receive dividends and other kinds of distributions as determined by the number of shares held by them;
- (2) to attend or appoint a proxy to attend shareholders' general meetings, and to exercise voting rights;
- (3) to supervise the business operation of the Bank, and to make suggestions and enquiries accordingly;
- (4) to transfer, bestow or pledge shares held by them in accordance with the laws, administrative regulations and these Articles;
- (5) to obtain relevant information in accordance with the laws, administrative regulations, departmental rules, regulatory documents, the relevant provisions stipulated by the securities regulatory authorities in the jurisdiction in which the shares of the Bank are listed and these Articles, including:
 - (i) to obtain a copy of these Articles after paying the costs and expenses incurred;
 - (ii) during office hours of the Bank, have the right to inspect, free of charge, and to photocopy, after paying a reasonable fee, the following documents:
 1. all parts of the register of shareholders;
 2. the personal information of the directors, supervisors and other senior management officers of the Bank;
 3. status of the Bank's share capital;
 4. reports on the aggregate par value, number of shares, and highest and lowest prices of each class of shares in relation to any repurchase by the Bank of its own shares since the last financial year, as well as all the expenses paid by the Bank in relation to such repurchases;
 5. a copy of the latest annual reports already submitted to the State Administration for Industry and Commerce or other competent bodies;
 6. minutes of the shareholders' general meetings;
 7. special resolutions of the Bank; and
 8. the latest audited financial statements, directors' reports, auditors' report and report of the Bank's Board of Supervisors.

Other than item 2, the documents referred to above shall be maintained at the Hong Kong address of the Bank in accordance with Listing Rules and available for inspection by both members of the public and H Share shareholders, whereas item 6 will only be available for inspection by the shareholders.

If any shareholder makes a request to obtain a copy of the relevant document from the Bank, the Bank shall send a copy of the requested document within seven days upon the receipt of a reasonable fee.

The Bank may refuse to provide any of the aforementioned documents if the documents to be inspected or photocopied contain the Bank's trade secrets and price sensitive information.

- (6) to participate in the distribution of the remaining assets of the Bank based on the number of shares held in the event of the Bank's dissolution or liquidation;
- (7) to demand the Bank to acquire their shares (for shareholders who disagree with the resolutions adopted at a shareholders' general meeting in relation to the merger or division of the Bank);
- (8) to have other rights conferred in accordance with the laws, administrative regulations, departmental rules and these Articles.

If any person holding an interest in the shares either directly or indirectly exercises his rights without disclosing his interest to the Bank, the Bank shall not thus compromise the rights of such person in relation to such shares by freezing it or in any other manner.

Article 58 Where a shareholder requests to inspect or obtain the relevant information as set forth in the preceding Article, such shareholder shall provide the Bank with written documents evidencing the class and number of shares held by such shareholder in the Bank and the Bank shall provide the above information at the request of such shareholder upon verification of the shareholder's identity.

All shareholders shall fulfill their confidentiality obligation to the Bank while exercising the above mentioned right to know and reasonably use the Bank's information. The shareholders shall bear the compensation liability in case of any damage of the Bank caused by violation.

Article 59 If a resolution of a shareholders' general meeting or a board resolution violates laws or administrative regulations, the resolution is invalid.

If the procedure for convening a shareholders' general meeting or Board of Directors' meeting, or the method of voting at either type of meeting, violates laws, administrative regulations or these Articles, or the contents of a resolution violates these Articles, shareholders shall have the right to request a court to rescind the resolution within sixty days from the date on which the resolution is adopted.

Article 60 If any director or member of senior management has violated laws, administrative regulations or provisions of these Articles in performing his duties in the Bank and therefore has caused loss to the Bank, shareholders who have individually or jointly held more than 1% or more of the shares in the Bank for one hundred and eighty consecutive days may make a written request to the Board of Supervisors to initiate legal proceedings at court. If the Board of Supervisors has violated laws, administrative regulations or provisions of these Articles in performing its duties and therefore has caused loss to the Bank, shareholders may make a written request to the Board of Directors to initiate legal proceedings at a court.

If the Board of Supervisors or the Board of Directors rejects or fails to initiate legal proceedings within thirty days after receiving the request, or the situation is so urgent that the Bank's interests will suffer irremediable harm if legal proceedings are not initiated immediately, the shareholders specified in the preceding paragraph shall have the right to directly initiate legal proceedings at court in their own names for the benefit of the Bank.

If any other person infringes the Bank's interest and therefore has caused loss to the Bank, the shareholders specified in the first paragraph of this Article may initiate legal proceedings at court pursuant to procedures stated in the two preceding paragraphs.

Article 61 If any director or senior management officer has violated the laws, administrative regulations or provisions of these Articles and has therefore impaired the interests of the shareholders, the shareholders may initiate legal proceedings at court.

Article 62 Holders of the ordinary shares of the Bank shall have the following obligations:

- (1) to abide by the laws, administrative regulations and these Articles;
- (2) to pay the share capital as determined by the number of shares subscribed for by them and the prescribed method of capital contribution;
- (3) not to withdraw their paid share capital except in circumstances allowed by laws and regulations;
- (4) fulfill the fiduciary duties owed to the Bank pursuant to the law, so as to ensure that the shareholders' information submitted in relation to them is true, complete and valid; substantial shareholders shall report the Board of Directors in an truthful, acute and complete manner regarding the particulars of their related parties, their relationship with other shareholders and their shareholdings in other commercial banks. If there is any change in the related party relationship, it shall be reported timely to the Board of Directors;
- (5) exercise the shareholders' rights strictly in accordance with the laws and regulations and these Articles of the Bank, not to seek improper advantages or interfere with the decision-making rights and management rights entrusted to the Board of Directors and senior management officers in line with these Articles, and not to bypass the Board of Directors and senior management and directly intervene in the Bank's operations and management, and not to prejudice the interests of the Bank and the legitimate interests of other shareholders;

- (6) Any application requesting changes in shareholder holding more than five percent of total capital or the total share capital shall be considered by the Board of Directors of our Bank first, and then reported to the banking regulatory authority for its approval. Where the shareholding of a shareholder, in the absence of prior approval of the banking regulatory authority, reaches or exceeds five percent of the total shares of our Bank (hereinafter referred to as “excess shares”), before obtaining the approval of the banking regulatory authority, the shareholder who holds excess shares shall be subject to necessary restrictions when exercising the rights of shareholder as set out in Article 56 of these Articles in respect of such excess shares, including (but not limited to):
- (i) no voting rights shall be conferred on such excess shares when voting in the shareholders’ general meeting of our Bank (including voting by class shareholders);
 - (ii) the right to nominate candidates for Directors and supervisors as set out in our Articles of Association shall not be conferred on such excess shares.

If the shareholder fails to obtain the approval of the banking regulatory authority in relation to the holding of excess shareholders, the shareholder shall have the excess shares transferred.

- (7) not to abuse the rights of shareholders to damage the interests of the Bank or other shareholders; not to abuse the independent legal person status or limited liability of shareholders to damage the interests of the Bank’s creditors; Where the Bank’s shareholders abuse the rights of shareholders to damage the interests of the Bank or other shareholders, they shall assume liability for compensation; Where the Bank’s shareholders abuse the independent legal person status or limited liability of shareholders to avoid debts, or cause a material damage to the interests of the Bank’s creditors, such shareholders shall be jointly and severally liable for the Bank’s debts;
- (8) The credit balance from our Bank to a single shareholder shall not exceed one tenth of the net capital of our Bank, and the borrowing by a shareholder’s affiliates shall be calculated with the shareholder’s borrowing from our Bank on a consolidated basis;
- (9) to assume other obligations imposed by the laws and administrative regulations or these Articles.

Article 63 The substantial shareholders of the Bank shall notify equity management department of the Bank and make submissions to the Board of Directors for filing within five working days if any of the following events occur:

- (1) significant matters, such as transfer shares of the Bank, change of de facto controller, change of name, change of legal representative, change of scope of business, change of registered capital, change of domicile or means of contact;
- (2) a merger or division is effected, or it is subject to regulatory measures, including suspension of operation, appointment of receiver, being taken over, being subject to revocation or other regulatory measures, or entering into dissolution, bankruptcy or liquidation procedure;

- (3) it receives administrative penalty or criminal punishment due to serious violations of the laws and regulations;
- (4) it is involved in other circumstances that may lead to transfer of its shares of the Bank or may otherwise affect operation of the Bank.

If the aforementioned occurs and the shareholder does not timely fulfill the reporting obligation, the shareholder shall be held accountable for the consequences arising therefrom.

Article 64 The shareholders, in particular the substantial shareholders, shall protect the interests and reputation of the Bank, and support the Bank in operating in compliance with the laws. The shareholders shall support the formulation of reasonable capital planning by the Board of Directors, such that the Bank may continuously meet the regulatory requirements. The substantial shareholders shall undertake in writing to supplement the Bank's capital on a long-term basis, which forms a part of the Bank's capital planning.

When the Bank's capital adequacy ratio fails to satisfy regulatory requirement or there occurs insufficient capital, the Bank shall suspend or reduce the distribution of profit, formulate reasonable supplementary capital planning so that the capital adequacy ratio can be met within the stipulated period according to the regulatory requirement or for the purpose of satisfying business development and strategic implementation needs. Capital is also replenished from ways such as the increasing core capital and issuing subordinate bonds. The substantial shareholders shall not hinder other shareholders from replenishing the Bank's capital or the entry of new, eligible shareholders.

Article 65 When the credit extended by the Bank to a shareholder, in particular a substantial shareholder is overdue, the voting rights of such shareholder at the general meetings and the voting rights of the directors nominated by such shareholder at the meetings of the Board of Directors shall be restricted. The Bank shall record the aforementioned circumstances in the minutes of the shareholders general meeting and the minutes of meeting of the Board of Directors. The Bank is entitled to apply the dividend and profit distribution to repay the borrowings to the Bank. Upon liquidation of the Bank, the assets allocated shall be applied in priority to repay the borrowings to the Bank.

Article 66 If the shareholders use their shares in the Bank to provide guarantees for themselves or others, they shall comply strictly with the requirements of the laws, regulations and regulatory authorities, and inform the Board of Directors of the Bank in advance.

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 the shares or voting rights in the Bank pledges his shares held in the Bank, it shall make filing to the Board of Directors of the Bank in advance, 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 pledgee. Where the Board of Directors considers the pledge to have material adverse impacts on the stability of the Bank's shareholding, corporate governance, risk and related party transactions 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. 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.

Shareholders shall not pledge their shares of the Bank if the balance of loans they borrowed from the Bank exceeds the audited net book value of the shares held by them in the previous year.

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 nominees of such shareholder at meetings of the Board of Directors, shall be subject to restrictions.

Article 67 Neither the controlling shareholder nor the de facto controller of the shares may damage the interests of the Bank by taking the advantage of its affiliate relationship, and a shareholder or controller shall be liable for compensation if it breaches this Article and thereby causes loss to the Bank.

A controlling shareholder or de facto controller of the Bank shall owe the fiduciary duties to both the Bank and public shareholders of the Bank. The controlling shareholder shall be in strict compliance with the law while it exercise its rights as investor, and shall not impair the legitimate interests of the Bank or public shareholders by taking advantage of profits distribution, assets reorganization, external investment, capital appropriation and loan guarantee or in any other way, nor shall it impair the legitimate interests of the Bank or public shareholders by taking advantage of its position as a controlling shareholder.

Article 68 The Bank shall not offer terms of credit to its shareholders that are more favorable over other customers regarding same type of credit.

Article 69 In addition to the obligations required under the laws, administrative regulations or the provisions stipulated by a stock exchange located at the jurisdiction in which the shares of the Bank are listed, when exercising its rights as a shareholder, the controlling shareholder shall not exercise its voting rights and make decisions on the following issues as these issues are detrimental to the interests of all or some of the shareholders:

- (1) relieving a director or supervisor of their responsibility to act in good faith and in the best interests of the Bank;
- (2) approving a director or a supervisor (for his/her own or for the benefit of others) in depriving the Bank of its assets in any form, including but not limited to any business opportunities that are advantageous to the Bank;
- (3) approving a director or a supervisor (for his/her own or for the benefit of others) in depriving other shareholders of their personal interests, including but not limited to any distribution rights and voting rights, unless the deprivation is made pursuant to a Bank restructuring submitted to and adopted at the shareholders' general meeting in accordance with these Articles.

Section 3 General Provisions on Shareholders' General Meetings

Article 70 The shareholders' general meeting shall be an organ of power of the Bank and shall exercise the following powers in accordance with the law:

- (1) to decide on the business policies and investment plans of the Bank;
- (2) to elect and replace directors and supervisors which are not appointed as representatives of the employees, and to decide on the remuneration of the relevant directors and supervisors;
- (3) to review and approve reports made by the Board of Directors;
- (4) to review and approve reports made by the Board of Supervisors;
- (5) to review and approve the Bank's proposed annual financial budget and final accounts;
- (6) to review and approve the Bank's plans for profit distribution and loss recovery;
- (7) to adopt resolutions concerning the increase or reduction in the Bank's registered capital;
- (8) to adopt resolutions regarding the issuance of corporate bonds or other securities and listing;
- (9) to adopt resolutions on the merger, division, dissolution, liquidation or other change in corporate form of the Bank;
- (10) to amend these Articles;
- (11) to decide on the engagement, dismissal or discontinuation of the appointment of the Bank's accounting firm;
- (12) to decide and approve on the change in the use of proceeds on the funds raised;
- (13) to review the share incentive plans;
- (14) to review proposals raised by shareholders who hold 3% or more of shares of the Bank;
- (15) to review other issues which should be decided by the shareholders' general meeting as stipulated by the laws, administrative regulations, departmental rules or these Articles.

The matters mentioned above are within the shareholders' general meeting's scope of authority and shall be examined and decided by the shareholders' general meetings. If it is necessary, reasonable and legal, the decision-making for any specific issues related to the foregoing issues which are unable or unnecessary to be decided immediately at the shareholders' general meeting can be delegated to the Board of Directors. If the shareholders delegate their decision-making to the Board of Directors, the authorization given shall be clear and specific. If these Articles require that matters to be delegated to the Board of Directors are to be adopted by the shareholders' general meeting by way of ordinary resolution, such resolutions shall be approved by more than half of the voting rights of the shareholders (including proxies thereof) attending the

shareholders' general meeting. If these Articles require that matters to be delegated to the Board of Directors are to be adopted by the shareholders' general meeting by way of special resolution, such resolutions shall be approved by two-thirds or more of the voting rights of the shareholders (including proxies thereof) attending the shareholders' general meeting.

Article 71 There are two types of shareholders' general meetings: annual general meetings and extraordinary general meetings. The annual general meeting shall be held once a year within six (6) months after the financial year end.

Article 72 An extraordinary general meeting shall be convened within two months from the date of occurrence of any of the following events:

- (1) the number of directors is less than two-thirds of the number stipulated in these Articles;
- (2) the unrecovered losses of the Bank reaches one-third of the Bank's total share capital;
- (3) shareholders who individually or jointly hold more than one-tenth of the voting shares of the Bank have requested in writing to convene the meeting;
- (4) the Board of Directors deems it necessary to convene the meeting;
- (5) the Board of Supervisors proposes to convene the meeting;
- (6) more than half of the independent directors propose to convene the meeting (if there are only two independent directors, then the two independent directors unanimously propose to convene);
- (7) more than half of the external supervisors to convene the meeting (if there are only two external supervisors, then the two external supervisors unanimously propose to convene);
- (8) any other circumstances as stipulated by the laws, administrative regulations, departmental rules or these Articles.

Article 73 The Bank shall convene shareholders' general meetings either at its domicile or at any other place specified in the notice of a shareholders' general meeting.

The Bank shall arrange for the venue such that a physical meeting can be held. The Bank can also make available the participation of the shareholders' general meeting through Internet or other means given the conditions are ready for the convenience of the shareholders. Shareholders participating the general meeting by such means shall be regarded as present.

When a shareholders' general meeting is being held, the Bank shall engage lawyers to observe the meeting and give legal opinions as to the matters set out below:

- (1) whether the procedures for convening and holding the meeting are in compliance with the laws, administrative rules and these Articles;
- (2) whether the qualifications of the attendees and convener are legal and valid;

- (3) whether the voting procedures and voting outcome of the shareholders' general meeting are legal and valid;
- (4) legal opinions on other relevant issues as requested by the Bank.

Section 4 The Convening of Shareholders' General Meetings

Article 74 The general meeting is convened by the Board of Directors and presided by the chairman of the Board of Directors. The Board of Directors shall convene shareholders' general meeting according to the provisions as set out in these Articles. If the Board of Directors is unable to perform or does not perform its duty of convening shareholders' general meeting, the Board of Supervisors shall convene and preside over the meeting in a timely manner. If the Board of Supervisors does not convene and preside over the meeting, shareholders individually or in aggregate holding one-tenth or more of the Bank's voting shares for a period longer than ninety consecutive days can convene and preside over the meeting.

Article 75 More than half of independent Directors are entitled to propose to the Board of Directors that an extraordinary Shareholders' general meeting be convened, and shall submit the proposal in writing. The Board of Directors shall, within ten days of receiving the proposal, provide written feedback stating whether they agree to or object to the proposal in accordance with the laws, administrative regulations and these Articles.

The Board of Directors shall issue notice of a shareholders' general meeting within five days of resolution of the Board of Directors upon agreeing to convene an extraordinary Shareholders' general meeting. Where the Board of Directors object to convene an extraordinary Shareholders' general meeting, it shall provide reasons.

Article 76 The Board of Supervisors or more than half of external supervisors are entitled to propose for convening of extraordinary Shareholders' general meeting to the Board of Directors, and shall submit the proposal in writing. The Board of Directors shall grant feedback in writing of agreement or disagreement within ten days subsequent to the receipt of the proposal in accordance with prescriptions of the law, administrative rules and these Articles.

The Board of Directors shall give notice of a shareholders' general meeting within five days subsequent to resolution of the Board upon agreeing to convene an extraordinary Shareholders' general meeting and shall obtain consent of the Board of Supervisors on any alteration of the original proposal.

If the Board of Directors disagrees with convening of an extraordinary Shareholders' general meeting or does not grant feedback within ten days subsequent to the receipt of the proposal, it shall be deemed as unable to perform or have not performed its duties of convening shareholders general meeting, and the Board of Supervisors may convene and preside over a meeting by itself.

Article 77 Shareholders individually or in aggregate holding 10% or more of the Bank's voting shares have the right to request that the Board of Directors convene an extraordinary Shareholders' general meeting or a class shareholder meeting, and such requests should be made in writing and state the topics of meeting. The Board of Directors shall grant feedback in writing of whether to convene the extraordinary shareholders' general meeting or class shareholder meeting within ten days from the receiving date of such request in accordance with the laws, administrative regulations and these Articles. The shareholding based on their shareholdings held by shareholders on the date such request is proposed in writing.

The Board of Directors shall give notice of a shareholders' general meeting or a class shareholder meeting within five days from adoption of the resolution of the Board upon agreeing to convene an extraordinary shareholders' general meeting or a class shareholder meeting, and shall obtain the consent of the relevant shareholders in relation to any change to the original proposals stated in the notice.

If the Board of Directors decides against the convening of an extraordinary Shareholders' general meeting or a class shareholder meeting, or the Board of Directors fails to grant feedback within ten days from receiving the proposal, shareholders individually or in aggregate holding 10% or more of the Bank's voting shares are entitled to propose for convening an extraordinary Shareholders' general meeting or a class shareholder meeting, and shall send a request to the Board of Supervisors in writing.

Where the The Board of Supervisors agrees to convene the extraordinary shareholders' meeting or class shareholders meeting, it shall give notice of a Shareholders' general meeting or a class shareholder meeting within five days of receiving the request, and any change to the original proposals stated in the notice shall obtain the consent of the relevant shareholders.

If the Board of Supervisors fails to issue notice of the Shareholders' general meeting or class shareholder meeting, the Board of Supervisors will be deemed not to convene or preside over the Shareholders' general meeting or class shareholder meeting and such a meeting may be convened and presided over by shareholders who individually or in aggregate, for at least ninety consecutive days, hold 10% or more of the Bank's voting shares (the "Convening Shareholders").

Article 78 If either the Board of Supervisors or shareholders propose to convene a shareholders' general meeting on their own initiatives, the Board of Directors shall be informed in writing.

The shareholding proportion of the Convening Shareholders before making resolutions in the shareholders' general meeting shall not be less than one-tenth.

The Convening Shareholders shall submit the relevant evidentiary materials to relevant regulatory authorities when the Convening Shareholders issue the notice of shareholders' general meeting and the announcement of the resolutions passed at the shareholders' general meeting.

Article 79 With respect to a shareholders' general meeting convened by the Board of Supervisors or the shareholders, the Board of Directors and the secretary of the Board of Directors shall cooperate. The Board of Directors shall offer the register of shareholders as at the shareholding registration date.

If the Board of Directors fails to provide the register of shareholders, the conveners may apply to the securities registration and clearing institution for the register of shareholders, taking with them the announcement regarding the notice convening the shareholders' general meeting. The register of shareholders provided to the conveners shall only be used for the shareholders' general meeting and shall not be used for other purposes.

Article 80 Necessary costs arising out of a shareholders' general meeting convened by the Board of Supervisors or the shareholders on their own shall be borne by the Bank.

Section 5 Proposals and Notice of Shareholders' General Meetings

Article 81 The proposal of Shareholders' general meetings shall meet all of the following requirements:

- (1) the contents of the proposal shall be within the scope of authority of the shareholders' general meeting;
- (2) it shall have definite topics for consideration and specific items to be decided by resolution;
- (3) it shall be in compliance with the laws, administrative regulations and the relevant provisions of these Articles;
- (4) it shall be in written form and submitted or delivered to the convener of Board of Directors.

Article 82 When the Bank convenes shareholders' general meetings, the Board of Directors, the Board of Supervisors and shareholders individually or in aggregate holding 3% or more of the Bank's voting shares shall be entitled to submit their proposals to the Bank.

Shareholders individually or in aggregate holding 3% or more of the Bank's voting shares may submit provisional proposals to the convener in writing ten days prior to the date of the shareholders' general meeting. The convener shall issue a supplementary notice of the shareholders' general meeting with the content of such provisional proposals. Upon review and satisfaction that such provisional proposals comply with the provisions in Article 80 of these Articles, within two days after receipt thereof. Requirements otherwise provided in the listing rules of the stock exchange where the Bank's shares are listed shall also be met.

Except for the circumstances provided in the preceding paragraph, the conveners shall not amend nor add any new proposals to those which are set out in the original notice of the shareholders' general meeting.

Proposals which have not been set out in the notice of a shareholders' general meeting or which are not in compliance with Article 80 of these Articles shall not be put forward and voted upon as resolutions at a shareholders' general meeting.

Article 83 When the Bank is to convene a shareholders' general meeting, a written notice shall be sent forty-five days before the shareholders' general meeting. Shareholders who wish to attend the shareholders' general meeting shall provide a written reply of attendance to the Bank twenty days before the shareholders' general meeting is convened.

Article 84 The Bank shall calculate the proportion of voting shares held by shareholders who wish to attend the meeting based on the written replies received twenty days before the shareholders' general meeting that is convened by the Bank. Where the proportion of voting shares held by shareholders who wish to attend the meeting exceeds half of the total voting shares of the Bank, the Bank may convene the shareholders' general meeting. If this threshold is not met, the Bank shall inform the shareholders within five days via an announcement stipulating the matters to be considered and the venue, date and time of the meeting. Once this announcement is made, the Bank may then proceed to convene the shareholders' general meeting.

Article 85 The notice of a shareholders' general meeting shall meet the following requirements:

- (1) it is in written form;
- (2) it indicates the date, time and venue of the meeting;
- (3) it shall state the matters to be considered at the meeting;
- (4) it shall contain all necessary information and explanation to enable shareholders to make informed decisions on the matters to be discussed. This means that when the following matters which shall include (but shall not be limited to) any merger, share repurchase, share capital reorganization or other restructuring proposals are involved, the detailed terms of the proposed transaction, copies of the proposed agreement (if any) and detailed explanation as to the cause and effect of such proposed transaction shall be provided;
- (5) if any of the directors, supervisors or senior management officers have material interest in the matters to be discussed, they shall disclose the nature and extent of such interest; and if the effects of the matters to be discussed have a different effect on a director, supervisor or member of senior management as shareholders compared to other shareholders of that same class, the differences shall be explained;
- (6) it shall contain the full text of any proposed special resolution to be voted at the meeting;
- (7) it shall contain a prominent statement stating that a shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on his/her behalf and such proxy need not be a shareholder;
- (8) it shall state the shareholding registration date of the shareholders who are entitled to attend the meeting;
- (9) it shall state the time and address for lodging the proxy forms of the relevant meeting;
- (10) it shall state the name and phone number of the contact person for meeting affairs;
- (11) it shall satisfy other requirements stipulated by the laws, administrative regulations, departmental rules and these Articles.

A blank proxy form shall also be delivered together with the notice of a shareholders' general meeting.

Article 86 The notice of a shareholders' general meeting shall be delivered by hand or prepaid mail to all shareholders (regardless whether they have voting rights at the shareholders' general meeting). The address of the recipients shall be the address registered in the register of shareholders. For holders of domestic shares, the notice of a shareholders' general meeting may be in form of an announcement.

The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authority between the forty-five (45) to fifty (50) day interval prior to the meeting date. All holders of domestic shares shall be deemed as having been notified of the forthcoming shareholders' general meeting once the announcement is published.

For holders of H shares, subject to the compliance with the applicable laws, administrative regulations, departmental rules, listing rules of the stock exchange where the Bank's shares are listed, these Articles and the requirements of the relevant regulatory authorities, the Bank may choose to notify such shareholders of a shareholders' general meeting by publishing the notice on the websites of the Bank and The Hong Kong Stock Exchange.

Where, as a result of accidental omission, a notice of meeting is not given to a shareholder who is entitled to receive such notice or where such shareholder has not received the notice, the meeting or any resolution adopted at the meeting shall not be invalidated as a result.

Article 87 Once the notice of a shareholders' general meeting is issued, the meeting shall not be postponed or cancelled without valid reasons, and proposals contained in the notice shall not be withdrawn. In the event of any postponement or cancellation, the convener shall make an announcement and state the reasons at least two working days before the scheduled meeting date.

Article 88 If the election of directors and supervisors is intended to be discussed at the shareholders' general meeting, the notice of the shareholders' general meeting shall fully disclose the details of the candidates for the role of directors and supervisors, and shall at least include the following particulars:

- (1) personal particulars, such as education background, work experience and any part-time work undertaken;
- (2) whether there is any related party relationship with the Bank or with the controlling shareholders and de facto controllers of the Bank;
- (3) disclosure of their shareholding in the Bank;
- (4) whether they have been subject to any penalties imposed by the regulatory authority and other relevant departments, and any stock exchange disciplinary action;
- (5) information in relation to the new appointment or re-designation of directors or supervisors as required by the Listing Rules.

Article 89 General methods and procedures to nominate and elect directors and supervisors are as follows:

- (1) Candidates for directors and supervisors who are not staff representatives shall be nominated by the Nomination and Remuneration Committee of the Board of Directors or Nomination Committee of the Board of Supervisors respectively, and the number of such persons to be elected shall be within the number of persons stipulated in these Articles. Shareholders individually or in aggregate holding 3% or more of the Bank's voting shares may propose candidates for directors to the Board of Directors or candidates for supervisors to the Board of Supervisors, but the number of persons nominated shall be in compliance with the provisions of these Articles and shall not exceed the number of persons proposed to be elected.

The same shareholder and his/her/its associates shall not nominate a candidate for a director and another candidate for a supervisor at the shareholders' general meeting; if the candidate for a director (or supervisor) nominated by such shareholder and his/her/its associates is appointed as a director (or supervisor), the shareholder shall not nominate any candidate for supervisor (or director) prior to the expiry of the term of office of such person.

The number of directors (or supervisors) nominated by any same shareholder and his/her/its associates in principle shall not exceed one third of the total number of the members of the Board of Directors (or Board of Supervisors). Such shareholder and his/her/its associates shall only nominate one candidate for independent director or external supervisor, and shall not nominate candidates for both independent director and external supervisor, unless otherwise required by the laws, administrative regulations, departmental rules, other regulatory documents, listing rules of the stock exchange where the Bank's shares are listed.

- (2) The Nomination and Remuneration Committee of the Board of Directors shall conduct preliminary assessment of the qualifications and conditions of the candidates for directors and supervisors respectively, and propose the candidates passing such assessment to the Board of Directors, Board of Supervisors for consideration respectively; and propose them to the shareholders' general meeting by way of written resolutions after they are considered and approved by the Board of Directors, Board of Supervisors.
- (3) The candidates for directors and supervisors shall, before the convening of the shareholders' general meeting, make written undertakings, express their consent to their nomination, confirm the truthfulness and completeness of their publicly- disclosed information and undertake that they will duly perform their duties upon election.
- (4) Voting on each candidate for directors and supervisors shall be carried out at the shareholders' general meeting separately. The Board of Directors and the Board of Supervisors, before the convening of the shareholders' general meeting, shall disclose the detailed information on the candidates for directors and supervisors to the shareholders in accordance with the laws, regulations and these Articles, so as to ensure that the shareholders will have sufficient knowledge on the candidates when casting their votes.
- (5) When an additional director or supervisor is temporarily nominated, the Nomination and Remuneration Committee of the Board of Directors or the Board of Supervisors or the shareholders satisfying the conditions for making such nomination may propose a candidate to the Board of Directors or the Board of Supervisors for consideration, and to the shareholders' general meeting for election or replacement.

Section 6 The Holding of Shareholders' General Meetings

Article 90 The Board of Directors and other conveners shall take necessary measures to maintain order at shareholders' general meetings. Behaviors such as disruption of the meeting, provocation of trouble and infringement on the legitimate rights and interests of shareholders shall be prevented and promptly reported to relevant authorities for investigation.

Article 91 All shareholders whose names appear on the register of shareholders on the date of registration of equity entitlements or their proxies shall be entitled to attend the shareholders' general meeting and exercise their voting rights in accordance with the relevant laws, regulations and these Articles.

Shareholders may attend the shareholders' general meeting in person and shall be entitled to appoint proxies to attend and vote on their behalf. A proxy may exercise the following powers at a shareholders' general meeting:

- (1) the same right of speech as the shareholder at the meeting;
- (2) the authority to demand or join other shareholders in demanding a poll;
- (3) the right to vote by a show of hands or on a poll, but when more than one proxy has been appointed, the proxies only have the right to vote on a poll.

Article 92 If an individual shareholder attends the meeting in person, he/she shall produce his/her own identification cards or other valid credentials or proof of their identities or share certificate or certificate providing proof of his/her shareholding. If a proxy is appointed to attend the meeting, the proxy shall produce his/her own identification cards or document, instrument of proxy and certificate providing proof of the shareholding of the appointing shareholder and share certificate.

A corporate shareholder shall attend the meeting through its legal representative or a proxy appointed by its legal representative. If a legal representative attends the meeting, he/she shall produce his/her own identification cards or document, valid identification documents showing that he/she qualifies to serve as a legal representative. If a proxy attends the meeting, he/she shall produce his/her own identification cards or document, written power of attorney granted by the legal representative of the corporate shareholder.

Article 93 The power of attorney used by shareholders to appoint proxies to attend the shareholders' general meeting shall contain the following information:

- (1) name of the proxy;
- (2) whether or not the proxy has the right to vote;
- (3) instructions on how to vote (voting in the affirmative, negative, or in abstention) in relation to each of the resolutions on the agenda of the shareholders' general meeting;
- (4) date of issuance and term of validity;
- (5) signature (or seal) of the appointing shareholder; if the appointing shareholder is a body corporate, the document shall be affixed with the legal person's seal.

Article 94 The power of attorney should indicate the proxy may vote at his/her discretion if no specific instructions have been given by the shareholder.

Article 95 The power of attorney shall be placed at the Bank's domicile or at any other place designated in the notice of the shareholders' general meeting, and at least twenty- four (24) hours prior to either the convening of the relevant meeting in which the resolutions are to be voted or the designated voting time. If the power of attorney is signed by a person authorized by the appointing shareholder instead of the appointing shareholder himself/herself, the power of attorney or other authorization documents authorizing the signing shall be notarized. The notarized power of attorney or other authorization documents shall, together with the proxy form authorizing the proxy to vote, be placed at the Bank's domicile or any other place designated in the notice of the shareholders' general meeting.

In the event that the appointing shareholder is a legal person, the shareholder shall be represented at the shareholders' general meeting of the Bank by the legal representative or other persons authorized by the resolution of the Board of Directors or any other decision- making body of such appointing shareholder.

If the shareholder is an authorized clearing house as defined in Hong Kong Securities and Futures Ordinance (chapter 571 of the laws of Hong Kong) or its agent, such a shareholder is entitled to appoint one or more persons it deems suitable to act as its proxy in the shareholders' general meeting or class shareholder general meeting. If two or more persons are appointed as proxies, the power of attorney shall clearly state the number and the class of shares represented by each of the proxies. The proxy forms shall be signed by the respective proxies appointed by the authorized clearing house, and the proxies so appointed may represent the authorized clearing house or its agent in exercising its rights at any meeting (without being required to present share certificate, certified statement of proxy and/or further evidence of due authorization) as if that proxy is a natural person shareholder of the Bank.

Article 96 The blank proxy form issued either by the Board of Directors or the convener of the shareholders' general meeting to the shareholder for the appointment of proxies shall freely allow the shareholder to instruct his/her proxy to vote as he/she sees fit (voting in the affirmative, negative, or in abstention), and to give separate instructions for each resolution that will be voted at the meeting.

Article 97 If the appointing shareholder has passed away, lost his/her ability to act, withdrawn the appointment, withdrawn the authorization of the signed proxy form or has transferred all of his/her shares prior to voting, as long as the Bank has not received any written notice regarding these matters before the commencement of the relevant meeting, the vote cast by the proxy in accordance with the proxy form shall remain valid.

Article 98 The meeting attendance records shall be prepared by the Bank. The records shall, amongst other matters, contain the names (or corporate names) of the attendees, their identity card numbers, their residential addresses, the number of voting shares held or represented by them, and the names (or corporate names) of the proxies.

Article 99 The convener and the lawyers appointed by the Bank shall verify the legitimacy of the shareholders' qualifications based on the records available from the register of shareholders provided by the securities registration and clearing authority, and shall record the names (or corporate names) of shareholders attending the meeting and the number of voting shares held by them. The registration process for the meeting shall be completed before the chairman of the meeting announces the number of shareholders and proxies attending the meeting and the total number of voting shares represented by them.

Article 100 When the shareholders' general meeting is being convened, all the Bank's directors, supervisors and the Secretary to the Board of Directors shall attend the meeting. The senior management officers who are not directors shall observe the meeting.

Article 101 A shareholders' general meeting shall be presided over by the chairman of the Board of Directors. If the chairman is unable to attend the meeting for any reasons, the vice chairman of the Board of Directors shall preside over the meeting. If the vice chairman is unable to attend the meeting for any reasons, a director elected by no less than half of the directors shall chair and preside over the meeting. If the shareholders have failed to elect a chairman for whatever reason, the shareholder that is present at the meeting (including any proxy of such a shareholder) holding the most voting shares shall preside over the meeting.

A shareholders' general meeting convened by the Board of Supervisors shall be presided over by the chairman of the Board of Supervisors. If the chairman of the Board of Supervisors is unable to attend the meeting for any reasons, a supervisor elected by no less than half of the supervisors shall preside over the meeting.

A shareholders' general meeting convened by the shareholders shall be presided over by a representative recommended by the conveners.

Article 102 The Bank shall formulate the rules of procedure regarding the shareholders' general meeting, and specify the convening and voting procedures, including convening method, documents preparation, voting method, the abstention from voting by related party shareholders, notification, registration, and consideration of proposals, voting, counting of votes, announcement of voting results, formation of meeting resolutions, minutes of meetings and signature, announcements and the principle of authorization by the shareholders' general meeting to the Board of Directors. The authorization principle should be clear and specific in terms of contents. The rules of procedure for the shareholders' general meeting shall be prepared by the Board of Directors and approved by the shareholders' general meeting.

Article 103 At the annual shareholders' general meeting, the Board of Directors and the Board of Supervisors should both report to the shareholders on the work they have undertaken over the past year. Every independent director shall also report on the work.

Article 104 Unless confidential trade secrets of the Bank are involved which shall not be disclosed, the directors, supervisors and senior management officers shall respond and give explanation to recommendations or queries from shareholders at the shareholders' general meeting.

Article 105 The chairman of the meeting shall, prior to voting, announce the number of shareholders and proxies attending the meeting and the total number of voting shares represented by them, with the figures recorded in the attendance records prevailing.

Article 106 Minutes shall be recorded for the shareholders' general meeting, and the Secretary to the Board of Directors shall be in charge of recording the minutes. The minutes shall contain the following information:

- (1) the time, venue, and agenda of the meeting, as well as the name (or corporate name) of the convener;
- (2) the names and positions of the chairman of the meeting, and the directors, supervisors and senior management officers who attend or observe the meeting;
- (3) the number of shareholders and proxies present at the meeting, the total number of shares with voting rights held by them, and the percentage in relation to the total number of the Bank's shares;
- (4) the deliberation process for each resolution, key points of speeches made and voting outcome;
- (5) any enquiries or suggestions made by shareholders and corresponding explanation or response, etc.;
- (6) the name of the lawyer(s), vote counter and scrutineer;
- (7) any other matters required by the provisions of these Articles to be recorded in the minutes.

Article 107 The convener shall ensure that the minutes are the truthful, accurate and complete. The attending directors, supervisors, Secretary to the Board of Directors, convener or their representatives and the chairman of the meeting shall sign on the minutes. The minutes, list of signatures by shareholders in attendance, powers of attorney, and valid information regarding alternative voting methods shall be filed and form part of the Bank's files. The Secretary to the Board of Directors shall preserve the files in accordance with the Bank's record management guidelines for at least ten years.

Article 108 The convener shall ensure that the shareholders' general meeting does not end until final resolutions have been concluded. In the event that the shareholders' general meeting is adjourned or resolutions cannot be reached due to force majeure or other special circumstances, necessary measures shall be taken to reconvene the meeting as soon as possible or conclude the meeting immediately and an announcement shall be published in a timely manner.

Section 7 Voting Procedures and Resolutions of Shareholders' General Meetings

Article 109 There solutions of a shareholders' general meeting shall either be classified as ordinary resolutions or special resolutions.

Ordinary resolutions shall be approved by a simple majority of voting rights held by the shareholders (including their proxies) attending the meeting.

Special resolutions shall be approved by not less than two-thirds of voting rights held by the shareholders (including their proxies) attending the meeting.

Article 110 The following matters shall be resolved by way of an ordinary resolution:

- (1) work reports by the Board of Directors and the Board of Supervisors;
- (2) profit distribution plans and loss recovery plans as proposed by the Board of Directors;
- (3) the appointment or removal, the remuneration and the method of payment for the members of the Board of Directors and the Board of Supervisors;
- (4) reports regarding the Bank's annual financial budget, final accounts, the balance sheet, the income statement and other financial statements;
- (5) consideration of matters on the change to use of proceeds;
- (6) the appointment and dismissal of an accounting firm;
- (7) any other matters not required by the laws, administrative regulations or these Articles to be resolved by way of a special resolution.

Article 111 The following matters shall be resolved by way of a special resolution:

- (1) an increase or reduction of the share capital of the Bank and the issuance of any class of shares, warrants and other similar securities;
- (2) the division, merger, dissolution, liquidation or any other change in the corporate form of the Bank;
- (3) amendments to these Articles;
- (4) share incentive plans;
- (5) repurchase of the Bank's shares;
- (6) issuance of bonds or listing;
- (7) any other matters which are required by the laws, administrative regulations and these Articles, and any matter decided by the shareholders' general meeting by way of an ordinary resolution to have a material effect on the Bank and should therefore be adopted by a special resolution.

Article 112 When a shareholder (including proxy) votes at a shareholders' general meeting by exercising his/her voting rights according to the number of shares carrying the right to vote, each share shall have one vote.

The shares held by the Bank have no voting rights, and such part of the shareholding shall not be counted as the total number of shares with voting rights held by shareholders attending the meeting.

If any shareholder shall abstain from voting on a certain matter or is limited to casting of affirmative or negative votes on a certain matter, any votes cast by the shareholder or proxy in violation of the aforesaid requirements or restrictions shall not be included in the voting results.

Article 113 Related shareholders shall not participate in voting when matters concerning related party transactions are considered at a shareholders' general meeting, and the shares with voting rights represented by the related shareholders shall not be counted into the total number of valid votes. The resolutions adopted at the shareholders' general meeting should fully disclose the voting results by non-related shareholders.

Article 114 Unless the Bank is under special circumstances such as a crisis, the Bank shall not enter into contracts to entrust the management of all or the important businesses to persons other than the directors, supervisor and senior management officers of the Bank without approval in the form of a special resolution adopted in a shareholders' general meeting.

Article 115 The list of director and supervisor candidates shall be submitted in the form of a proposal to the shareholders' general meeting for voting.

Article 116 All proposals shall be voted separately at the shareholders' general meeting. If there are a number of proposals related to the same matter, votes shall be cast in the order of which the proposals are presented. Except where there is force majeure or other special circumstances resulting in the adjournment of the shareholders' general meeting or the failure to adopt resolutions, no resolutions proposed in the shareholders' general meeting shall be set aside or skipped.

Article 117 The shareholders' general meeting, while considering proposals, will not modify the key contents of such proposals.

Article 118 The same voting right can only be exercised through either on-site voting or one other voting form. Where more than one vote is cast for the same voting right, the choice of the first vote shall prevail.

Article 119 Voting at a shareholders' general meeting will be made by a show of hands or on a poll.

Article 120 Before a proposal is put to vote at a shareholders' general meeting, two representatives of the shareholders shall be nominated to count the votes and to act as the scrutineers. If a shareholder is associated with the matter to be considered, the shareholder and his/her/its proxy shall neither count the votes nor act as the scrutineer.

During the voting process of a shareholders' general meeting, the vote count and examination of the poll shall be conducted to get her by lawyers, representatives of shareholders and representatives of supervisors and qualified persons appointed according to the Listing Rules, and the voting outcome shall be announced at the meeting. The voting outcome for each resolution shall be recorded in the meeting minutes.

Article 121 Shareholders who are present at the shareholders' general meeting shall adopt one of the following stances when a proposal is put forward for voting: for, against or abstention.

Any votes which are unfilled, erroneously completed, illegible or un-submitted votes shall be counted as abstentions of the voting rights and such votes shall be counted as "abstained".

Article 122 On a poll taken at a meeting, a shareholder (including his/her proxies) entitled to two or more votes need not cast all the votes towards for, against or abstention.

Article 123 For every proposed resolution, the voting circumstances and voting outcome shall be announced at the meeting, and the chairman of the meeting shall decide and announce whether the resolution has been adopted based on the voting outcome. The decision shall be final and recorded in the meeting minutes.

Prior to the formal announcement of the voting outcome, all interested parties attending the meeting in person and involving in other voting form, including the Bank, the vote counter, the scrutineer and substantial shareholders, etc., have an obligation to keep the voting results confidential.

Article 124 If the chairman of the meeting has any doubts as to the voting outcome of any resolution, he/she may have the votes recounted. If the chairman does not recount the votes and the shareholders or their proxies who have attended the meeting have doubts as to the outcome announced by the chairman, they may request a vote recount immediately after the announcement of the voting outcome, and the chairman shall have the votes recounted immediately.

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

Article 125 Resolutions adopted at the shareholders' general meeting shall be announced in a timely manner in accordance with the relevant requirements of the regulatory authority. The announcement shall specify the number of shareholders and proxies attending the meeting, the total number of shares with voting rights held by them and the proportion relative to the total number of shares with voting rights of the Bank, the voting method, the voting outcome of each proposal and the details of each adopted resolution.

Article 126 If the proposal regarding the election of the directors or supervisors is approved at the shareholders' general meeting, the newly elected director or supervisor's term of service shall commence on the date on which the resolution is adopted at the shareholders' general meeting. If their qualifications are subject to the approval by the relevant regulatory authority, the term of office shall commence on the date when their qualifications are approved by such regulatory authority.

Article 127 The Bank shall implement any plans of cash distribution, issue of bonus shares or increase of share capital by capitalization adopted at a shareholders' general meeting as soon as possible and within two months after the conclusion of shareholders' general meeting.

Section 8 Special Procedures for Voting by a Certain Class of Shareholders

Article 128 Shareholders who hold different classes of shares are classified as "class shareholders".

Class shareholders are entitled to rights and are subject to the obligations pursuant to the laws, administrative regulations and these Articles.

Class shareholders within the Bank shall enjoy equal rights to receive dividends or other forms of distributions.

If shares that do not have voting rights are counted towards the share capital of the Bank, such shares shall bear the phrase “no voting rights” (“無投票權”) in their title.

If shares carrying different voting rights are counted towards the share capital of the Bank, these classes of shares (except for the class of shares with the most privileged voting rights) shall bear the phrase “restricted voting rights” (“受限制投票權”) or “limited voting rights” (“受局限投票權”) in their titles.

Article 129 If the Bank proposes to change or nullify certain rights of a certain class of shareholders, such proposal should be passed by a special resolution at the shareholders’ general meeting and passed at the meeting convened according to Articles 130 to 134 other for the related class of shareholders.

Article 130 The rights of a certain class of shareholders shall be deemed to be changed or nullified in the following circumstances:

- (1) to increase or reduce in the quantity of the shares of that class, or increase or reduce the quantity of the shares of other classes which enjoy the same or more voting rights, distribution rights or other privileges as the shares of that class;
- (2) to convert part or whole of the shares of that class into other class(es), convert part or whole of the shares of other class(es) into that class, or grant such conversion rights;
- (3) to nullify or reduce the rights of that class of shares to receive payable dividends or cumulative dividends;
- (4) reduce or nullify the privileged rights of that class of shares to acquire dividends or obtain distribution of assets during liquidation of the Bank;
- (5) to increase, nullify or reduce the conversion, option, voting, transfer or privileged allotment rights of that class of shares or the rights of such class of shares to obtain securities issued by the Bank;
- (6) to nullify or reduce the rights of that class of shares to receive amounts payable by the Bank in a particular currency;
- (7) to establish new class(es) of shares which enjoy the same or more voting rights, distribution rights or other privileges as compared with that class of shares;
- (8) to restrict the transfer and ownership of that class of shares, or increase the restrictions;
- (9) to grant the share subscription options or share conversion options of that or another class of shares;
- (10) to increase the rights or privileges of other class(es) of shares;
- (11) any restructuring scheme of the Bank that may result in the assumption of disproportionate responsibilities by different classes of shareholders during the restructuring;
- (12) to revise or nullify the provisions in this Article.

Article 131 The shareholders of a class of shares that are affected, whether they originally have voting rights at former shareholders' general meetings, shall be entitled to vote on the matters concerning sub-paragraphs (2) to (8), (11) and (12) of Article 129 at the meeting for such class of shareholders, but shareholders with conflicts of interests therein shall have no voting rights at the meeting for such class of shareholders.

The shareholders with conflict of interests mentioned in the preceding paragraph shall have the meaning as follows:

- (1) if the Bank has made a repurchase tender offer to all shareholders in the same proportion in accordance with Article 34 or has repurchased its own shares through public transaction on a stock exchange, "shareholders with conflicts of interests" shall mean the controlling shareholders defined in Article 319;
- (2) if the Bank has repurchased shares under an off-market agreement in accordance with Article 34, "shareholders with conflicts of interests" shall mean shareholders who are connected with the aforementioned agreement;
- (3) under a restructuring scheme of the Bank, "shareholders with conflicts of interests" shall mean shareholders who assume liability in a lower proportion than other shareholders of the same class, or those who own different interests as compared with other shareholders of the same class.

Article 132 A resolution of the meeting for a certain class of shareholders shall be adopted by more than two-thirds of the voting shares represented by shareholders of that class present at the meeting in accordance with Article 130.

Article 133 When convening a meeting for a certain class of shareholders, the Bank shall, forty-five days prior to the date of the meeting, issue a written notice to all shareholders in the relevant class whose names appear on the register of shareholders, stating the matters to be considered at the meeting and the time and venue of the meeting. Shareholders who intend to attend the meeting shall deliver a written response to the Bank twenty days before the meeting is convened.

The Bank may convene a meeting for a certain class of shareholders if the number of shareholders intending to attend the meeting represent at least one-half of the total number of shares with voting rights in that class. If this requirement is not met, the Bank shall, within five days, issue another announcement informing the shareholders of the matters to be considered at the meeting and the time and venue of the meeting. Once this announcement is made, the Bank may convene the meeting for that class of shareholders.

Article 134 The notice of a meeting for a certain class of shareholders only needs to be delivered to the shareholders entitled to vote at that meeting.

Unless required otherwise by these Articles, the procedures for convening a meeting for a certain class of shareholder shall be the same as the procedures for the shareholders' general meeting to the extent practical, and the provisions in these Articles relating to the procedure to convene a shareholders' general meeting shall apply to the class shareholder meeting.

Article 135 Apart from other classes of shareholders, the shareholders of domestic shares and overseas-listed foreign shares are deemed to be shareholders of different classes.

The special voting procedures at a shareholders' general meeting for class shareholders shall not apply in the following cases:

- (1) upon the approval by way of a special resolution adopted by a shareholders' general meeting, the Bank independently or simultaneously issues domestic shares and/or overseas-listed foreign shares every twelve (12) months, provided that the amount of each class of shares intended to be issued is not more than 20% of the issued and outstanding shares of the respective class;
- (2) the Bank's plan on issuing domestic shares and overseas-listed foreign shares at the time of incorporation, which shall be completed within fifteen (15) months upon the date of approval from the securities regulatory authority;
- (3) the relevant regulatory authorities, such as banking regulatory authorities and the securities regulatory authority, have given approval for unlisted shares held by the shareholders of the Bank to be traded in overseas stock exchanges.

Chapter 5 Board of Directors

Section 1 Directors

Article 136 Directors of the Bank are not required to hold any shares of the Bank.

Directors of the Bank shall meet the following criteria:

- (1) shall be a natural person with full civil capacity;
- (2) shall comply with the rules and laws, be honest and perform duty with diligence, have good personal character;
- (3) shall possess knowledge, experience and abilities commensurate with designated position;
- (4) shall have good records in economic and financial practices;
- (5) shall be familiar with the laws and regulations relating to economics and finance sector, and have good awareness in respect of compliance operation;
- (6) shall be able to conduct sufficient information communications with financial regulatory authorities, and proactively coordinate with financial regulatory authorities to conduct work;
- (7) shall have no less than 5 years of work experience in law, economics, finance, accounting or other experiences conducive to performing duties and responsibilities of a director;
- (8) shall understand the Bank's corporate governance structure, the Articles of Association and the duties of the Board of Directors;

- (9) other criteria required by the laws, administrative regulations, departmental rules or provisions of relevant regulatory authorities.

In addition to above-said criteria, the Bank's chairman and vice chairman shall have a bachelor's degree or above, have six years or above of work experience in finance or have ten years or above of work experience in economics related work (among which, three years or above of work experience in finance).

A person shall not hold director position in the Bank under any one of the situations below:

- (1) the person has intentional and gross negligence criminal records;
- (2) the person has worked for any entity that is in violation of the laws, or is personally liable or directly responsible for material losses to that entity, and the case is serious;
- (3) the person serve or served as a director or a member of senior management of entity taken over, cancelled, declared bankrupt or having its business license revoked, unless proving that this person is at no fault;
- (4) the person has acts which are in violation with the principle of integrity, such as provision of false information when performing his/her job's duties;
- (5) Directors and senior management officers being permanently disqualified by regulatory authorities, or penalized by regulatory authorities and other financial regulatory departments and the penalty remains in effect, as well as penalties accumulated more than twice;
- (6) the person violates of professional ethics or conduct; or serious dereliction of duty resulting in significant loss or a bad influence;
- (7) the person instigates, or participates in an employer confronting legal supervision or case investigation;
- (8) the person has obvious conflicts of interest with duties of proposed director;
- (9) the person has misconducts which violate social moral resulting in bad influence;
- (10) the person who is removed by other commercial banks or organizations for his/her failure to fulfill obligations in good faith;
- (11) a shareholder of or a person employed by an entity shareholder that owes debts (not including debts in the form of deposit or secured by state bond) to the Bank, the amount of which exceeds the audited net share value in the last fiscal year;
- (12) a person of or a person employed by an entity that owes debts to the Bank and is in default on such debts;
- (13) the person who do not satisfy the requirements of the regulatory authorities, but take improper means to obtain approval for qualification;
- (14) other circumstances as stipulated by the laws, administrative regulations or departmental rules.

Article 137 Directors shall be elected or removed from office by shareholders at a general meeting. The term of office of a director shall be three years, and a director may be re-elected and re-appointed upon expiry of his/her term of office. Before the expiry of the director's term of office, the shareholders' general meeting shall not dismiss any director without any reason. A written notice of intent to nominate a candidate to become a director and the candidate's consent to such nomination shall be given to the Bank no earlier than the day after issuing the notice of the shareholders' general meeting for the election of such director, but at least seven days before such general meeting. Subject to the relevant laws and administrative regulations, a director may be removed by an ordinary resolution prior to his/her term has expired (but such removal shall no cause prejudice to any claim which may be instituted by the director under any contract).

The term of office of a director shall be calculated from the date on which he/she takes up the office, until the expiration of the term of office of the Board of Directors. Where re- election is not carried out promptly after a director's term of office expires, the director shall continue to perform the duties owed by a director before a new director is elected to take up the office, subject to the laws, administrative regulations, departmental rules and these Articles.

The Bank shall have independent directors. The number of independent directors shall be no fewer than one third of the Board's total director number and shall be no fewer than three. The independent directors shall possess appropriate professional qualifications, and at least one of them shall possess appropriate accounting or relevant financial management expertise.

The Bank shall have one to two staff representative director(s) depending its actual conditions, the representative director shall be elected by the Bank's staff at workers congress, staff meeting or through other means.

Article 138 Directors shall comply with the laws, administrative regulations and rules and these Articles and shall not conduct the following acts:

- (1) to accept bribes or other illegal income by taking advantage of their positions or rights and encroach upon property of the Bank;
- (2) to embezzle funds of the Bank;
- (3) to open bank accounts in their own names or in the names of others for depositing the assets or fund of the Bank;
- (4) outside the normal operating business of the Bank, to lend funds of the Bank to others or to provide guarantee to others with the Bank' assets without the approval of the shareholders general meeting or the Board of Directors, in contravention of these Articles;
- (5) to enter into contract or transact with the Bank in contravention of these Articles or without the approval of the shareholders general meeting;
- (6) without the approval of shareholders general meeting, to seek business opportunities that originally belong to the Bank for themselves or others with their favorable positions, or to operate business for themselves or others that are similar to the Bank;
- (7) to accept for themselves commissions in relation to transactions between others and the Bank;

- (8) to disclose any secrets of the Bank without authorization;
- (9) to jeopardize the interests of the Bank by taking advantage of their related party status;
- (10) other faithful obligations stipulated by the laws, administrative regulations, rules and these Articles.

Income obtained by directors in violation of this Article shall belong to the Bank; and the Directors shall indemnify the Bank for any losses incurred by the Bank therefrom.

Article 139 Directors shall assume the following diligent duties to the Bank in accordance with the laws, administrative regulations and these Articles:

- (1) to exercise the rights conferred by the Bank in a prudent, careful and diligent manner to ensure that the commercial activities of the Bank are in line with the requirements of the laws, administrative regulations and various national economic policies and that Bank's business activities do not exceed the business scope stated in the business license;
- (2) to treat shareholders of the same class in the same way, and to fairly treat shareholders of different classes;
- (3) to have an up-to-date understanding on the business operation and management of the Bank;
- (4) to provide written confirmation in relation to the periodic reports and to ensure the truthfulness, accuracy and completeness of information disclosed by the Bank;
- (5) to provide true information and data to the Board of Supervisors and not to obstruct the performance of duties by the Board of Supervisors or Supervisors;
- (6) to understand and address the conditions of the Bank on an ongoing basis, and to give advice and recommendations to commercial banking business through the Board of Directors and its special committees;
- (7) other diligent obligation stipulated by the laws, administrative regulations, departmental rules and these Articles.

Article 140 The directors shall attend the Board meetings earnestly and responsibly, and shall express explicitly their opinions on matters to be considered.

Directors shall spend sufficient time to carry out their duties, and shall work for the Bank no less than 15 working days each year, among which, the directors who hold chairman positions in the Audit Committee, the Related Party Transactions Control Committee, Risk Management Committee shall work for the Bank no less than 25 working days each year. Directors shall attend at least two-thirds of the Board meetings in person each year. If a director cannot attend the meeting due to certain reason, he/she may entrust another director with the same status in writing to attend on his/her behalf.

A director who fails to attend Board meetings in person and fails to appoint another director to attend on behalf shall assume the same legal liabilities to the Board resolutions.

Article 141 A director may resign before the term of office expires. He/she shall submit a written resignation to the Board of Directors, and the Board of Directors shall report it to shareholders' general meeting.

Where the resignation of a director during the term of office causes the number of directors on the Bank's Board of Directors to fall below the minimum quorum or affects the Bank's normal operation, the director shall continue to perform the director's duties before a new director is elected to take up the office, subject to the laws, administrative regulations, departmental rules and these Articles.

Saved as the aforesaid, the resignation of a director shall take effect upon the delivery of the written resignation to the Board of Directors, and the Board of Directors shall report it to shareholders' general meeting.

Article 142 If the resignation of a director becomes effective or his term of office expires, the director shall complete all handover formalities with the Board of Directors, but the fiduciary obligations owed to the Bank and shareholders are not discharged after the term of office expires, and remain effective during the reasonable time.

Article 143 A director shall not represent the Bank or the Board of Directors in his/her own name, unless otherwise provided in these Articles or legally authorized by the Board of Directors. A director shall announce his/her views and role in advance when he/she acts in his/her own name, if there is a possibility that a third party may reasonably believe that the director is representing the Bank or the Board of Directors.

Section 2 Independent Directors

Article 144 Independent director of the Bank means the director who does not hold any other positions in the Bank except for director, and has no relationship with the Bank and its substantial shareholders that may impact on his/her independent and objective judgement.

Unless otherwise provided for in this section, the provisions on directors in this Chapter shall apply to independent directors.

An independent director shall attain a high professional level and have good reputation, and shall meet the following criteria:

- (1) be qualified to serve as a director pursuant to the laws, administrative regulations, rules and relevant requirements of the relevant regulatory authorities and these Articles;
- (2) perform the duties and responsibilities independently, without any interference by substantial shareholders or de facto controllers of the Bank, or other entities or individuals who have a material interest in the Bank;
- (3) have a bachelor degree or above, or intermediate vocational titles of relevant professions or above;
- (4) be familiar with the relevant laws, administrative regulations, rules and regulations;

- (5) have no less than five years' experience in law, economics, finance, accounting or other work experience conducive to performing the duties and responsibilities of an independent director;
- (6) be familiar with the operation and management of commercial banks and relevant laws, administrative regulations and rules;
- (7) be able to read, understand and analyze credit reports and financial statements of commercial banks; and
- (8) have sufficient time and energy to effectively perform the duties and responsibilities and undertake to duly perform the duties of diligence.

Article 145 The following persons may not serve as independent directors of the Bank:

- (1) a person who and whose close relative jointly hold more than 1% of the Bank's shares;
- (2) a person who or whose close relative holds a position in any shareholder entity that holds more than 1% of the Bank's shares;
- (3) a person who or whose close relative holds a position in the Bank or entities under the control or de facto control of the Bank (but not including independent director);
- (4) a person who is a person described in paragraph (3) above in the three years before taking up the office (but not including independent director);
- (5) a person who or whose close relative holds a position in any entity that is unable to repay the loan provided by the Bank when falling due;
- (6) a person who or whose close relative holds a position in any entity which has a relationship of business, liabilities or debts with, or any interests in the Bank by providing such services as legal, accounting, auditing, management consultancy and guarantee cooperation services to the Bank, thus impeding his/her independence in the performance of duties;
- (7) a person who or whose close relative may be controlled or imposed significant effect by substantial shareholders and senior management officers of the Bank, thus impeding his/her independence in the performance of duties;
- (8) a person who is removed by former employer for failure to perform due diligence;
- (9) a person who served as principal officers of high-risk financial institutions and are unable to prove he/she are not liable for the cancellation or loss of assets of such financial institutions;
- (10) any other person not permitted to serve as an independent director by the banking regulatory authority, the securities regulatory authorities of the place where the Bank's shares are listed and any other relevant regulatory authorities.

The term "close relatives" in this Article means spouses, parents, children, siblings and grand-parents.

Article 146 The selection and appointment of independent directors shall mainly follow the market principle. A list of nominated candidates for independent directors can be drawn up by the Nomination and Remuneration Committee of the Board of Directors.

Shareholders individually or in aggregate holding 1% or more of the Bank's shares can nominate candidates for independent directors. A shareholder who has already nominated candidate for director shall not nominate any candidate for independent director, The same shareholder may only propose one person for election as an independent director.

The qualification of the candidates for directors shall be reviewed by the Nomination and Remuneration Committee of the Board of Directors with a focus on the independence, expertise, experience and capability. The names of qualified candidates shall be submitted to the Board of Directors for consideration. After approval by way of a Board resolution, written proposals shall be submitted to the shareholders' general meeting for election. The qualification of the candidates shall be verified by the banking regulatory authority.

An independent director shall not hold positions in more than two commercial banks at the same time.

Article 147 The term of service of an independent director shall be the same as that of other directors of the Bank and may be re-elected and re-appointed upon the expiration of the term of office, provided that such term of office shall not be more than six years on an accumulative basis.

Article 148 An independent director may resign before the term of office expires. Prior to the approval of resignation of the independent director by the Board of Directors, the independent director shall continue to carry out his/her duties.

The resigning independent director shall submit a written resignation report to the Board of Directors, and serve a written statement on the immediately following shareholders' general meeting to specify any circumstances related to the resignation or any fact that he/she believes requires the attention of the shareholders and creditors.

Article 149 If the resignation of an independent director causes the number of independent director fall below the statutory minimum number, the resignation of the independent director shall not become effective until the vacancy so caused is filled by the successor.

Article 150 In addition to the powers conferred to directors by the Company Law and other relevant laws, administrative regulations and rules and these Articles, independent directors shall also have the following powers:

- (1) major related party transactions, as determined according to the criteria issued by the regulatory authorities in the place(s) of listing from time to time, shall be approved by independent directors prior to submission to the Board of Directors for discussion; and the independent directors may engage professional advisers to provide an independent financial adviser report to serve as a basis of decision before they come to a conclusion;
- (2) to propose to the Board of Directors to convene an extraordinary shareholders' general meeting;
- (3) to propose to convene a meeting of the Board of Directors;

- (4) to engage independently external auditing and consulting advisers;
- (5) to propose to the Board of Directors to appoint or remove an accounting firm;
- (6) to publicly approach shareholders to gather their votes before the shareholders' general meeting is convened; and
- (7) other powers stipulated by the laws, administrative regulations, rules and these Articles.

The approval by a majority of independent directors shall be obtained for the exercising of the above powers.

Article 151 Independent directors shall give objective, impartial and independent opinions on the matters discussed at the Board meetings, and shall in particular, address their opinions to the Board of Directors on the following matters:

- (1) the legality and fairness of major related party transactions;
- (2) the profit distribution plans;
- (3) the appointment and removal of senior management officers;
- (4) matters deemed by the independent directors as such that may impair the legitimate rights and interests of the depositors and minority shareholders of the Bank and other persons who have interest in the Bank;
- (5) matters deemed by the independent directors as such that may cause significant loss to the Bank;
- (6) the appointment of external auditors; and
- (7) other matters stipulated by the laws, administrative regulations, rules or these Articles.

The opinions of Independent Directors on the decision of the Bank shall be recorded in the minutes of meeting of the Board of Directors.

Article 152 To ensure the effective performance of duties and powers by independent directors, the Bank shall provide the following necessary conditions for independent directors:

- (1) the Bank shall ensure that independent directors have the same information right as other directors;
- (2) the Bank shall provide the necessary working conditions for independent directors to perform their duties and responsibilities;
- (3) the Secretary to the Board of Directors and other relevant personnel of the Bank shall cooperate positively in the performance of duties and responsibilities by independent directors; and
- (4) the reasonable expenses incurred from engaging intermediaries and the reasonable costs incurred when carrying out duties by independent directors shall be borne by the Bank.

Article 153 Independent directors shall have committed a serious dereliction of duty in any of the following circumstances:

- (1) divulgence of trade secrets and impairment of the legitimate interests of the Bank;
- (2) acceptance of illicit benefits in the performance of their duties, or the seeking of private benefits by taking advantage of the status of an independent director;
- (3) failure to raise an opposing opinion despite being fully aware that a Board resolution violates the laws, administrative regulations or these Articles;
- (4) failure to exercise the veto power to related party transactions which have caused significant loss to the Bank; and
- (5) other serious dereliction identified by the banking regulatory authority.

If an independent director has been disqualified by the banking regulatory authority due to serious dereliction of duty, he/she shall be automatically removed from the position from the date he/she is disqualified. Such independent directors shall not serve as an independent director in the Bank for the remaining time of their life, and shall be replaced by new independent directors elected at the shareholders' general meeting of the Bank shareholders in a timely manner.

Article 154 The Board of Directors or the Board of Supervisors has the right to propose at a shareholders' general meeting to remove an independent director in any of the following circumstances:

- (1) material dereliction of duty specified in Article 152 of these Articles;
- (2) failure to resign from the position when he/she is no longer qualified to be an independent director;
- (3) failure to attend the Board meetings in person three times consecutively, or failure to attend the meeting either in person or entrust other independent directors to attend on his/her behalf two times consecutively, or attending less than two-thirds of the total number of Board meetings in person within one year; and
- (4) other circumstances provided by the laws, administrative regulations and rules where an independent director is no longer suitable for holding such position.

Article 155 If the Board of Directors or Board of Supervisors proposes at a shareholders' general meeting to remove an independent director, it shall report to relevant regulatory authority and issue a written notice to the independent director one month before such shareholders' general meeting. The independent director shall have the right to express the opinion orally or in writing before the voting, and shall have the right to submit such opinion to the banking regulatory authority five days prior to the shareholders' general meeting. The shareholders shall vote after reviewing the independent director's opinion.

Article 156 The Bank shall pay compensation and allowance to independent directors. Payment standard shall be formulated by the Board of Directors, and considered and approved at the shareholders' general meeting.

Section 3 Board of Directors

Article 157 The Bank shall establish a Board of Directors, which shall be accountable to the shareholders' general meeting.

Article 158 The Board of Directors shall be composed of thirteen (13) to seventeen (17) directors.

Article 159 The Board of Directors of the Bank shall have an office under its leadership as a daily administrative body, which shall be responsible for preparing for shareholders' general meetings, meetings of the Board of Directors and meetings of its special committees, as well as other matters entrusted by Shareholder's general meetings, Board of Directors and special committees of the Board.

Article 160 The Board of Directors shall have one chairman and may have one vice chairman. The chairman and vice chairman shall be elected by more than half of all directors under the Board of Directors.

Article 161 The chairman of the Bank shall not be served by the legal representatives or key personnel of the Bank's controlling shareholders. The chairman of the Board of Directors and president of the Bank shall be separate individuals.

Article 162 The vice chairman shall assist the chairman in his/her work. If the chairman of the Board is unable to perform his/her duties and responsibilities for whatever reason, the vice chairman shall perform such duties and responsibilities on behalf; if the vice chairman is unable to do so for whatever reason, a director shall be recommended by half or more directors jointly to perform such duties and responsibilities on behalf.

Article 163 The Board of Directors shall take ultimate responsibility for the operation and management of the Bank and perform the following duties and powers:

- (1) convene, and report to, shareholders' general meetings;
- (2) implement resolutions adopted at shareholders' general meetings;
- (3) make decisions on the Bank's business plans and investment plans;
- (4) formulate the Bank's annual financial budgets and final accounts as well as risk- based capital allocation;
- (5) formulate the Bank's proposals on profit distribution and loss recovery plans;
- (6) formulate proposals on the capital replenishment plans, such as increase or reduction of the Bank's registered capital and the issue of bonds and other securities, listing plans, plans of applying capital funds raised, as well as supervise and performance these proposals, in order to the ensure capital adequacy ratio of the Bank comply with regulatory requirement;
- (7) formulate plans for significant acquisitions, purchase of the Bank's shares, or merger, division, dissolution or other change in the form of the Bank;

- (8) decide on material matters (other than daily operation of business) within the scope authorized at a shareholders' general meeting, including external investments, asset acquisition or sales, pledge of assets, external guarantee, trust management and related party transactions etc.;
- (9) decide on the establishment of the Bank's internal management departments;
- (10) appoint or remove the Bank's president and Secretary to the Board of Directors in accordance with the recommendations of the chairman; appoint or remove the members of the Bank's senior management, including the vice president and chief financial officer in accordance with the recommendations of the president, and determine their remunerations, rewards and punishment;
- (11) formulate proposals on the remuneration and subsidies of the directors of the Bank;
- (12) formulate the basic management systems of the Bank, decide on the policies on risk management, internal control and compliance of the Bank, review and approve the strategy of green credit;
- (13) formulate amendments to these Articles;
- (14) approve internal audit rules and audit plans, work plans of the Bank;
- (15) manage or authorize Related Party Transactions Control Committee to manage related party transaction;
- (16) determine the strategies of operation and development for long and medium term and material business development plans of the Bank, as well as supervise their effective implementation;
- (17) to establish the Bank's information disclosure system, to manage the information disclosure matters of the Bank, and to assume ultimate responsibility for the truth, completeness, accurateness and timeliness of the Banks' accounting and financial reporting system;
- (18) propose at a shareholders' general meeting the engagement, replace or discontinuance of engagement of an accounting firm of the Bank;
- (19) supervise and evaluate the work performance of the directors and senior management officers of the Bank, listen to the president's work report and inspect the president's work;
- (20) consider any major capital expenditure, contract and commitment which exceeds the expenditure limit for senior management officers set by the Board of Directors;
- (21) draw up share incentive and equity repurchase plans of the Bank;
- (22) regularly evaluate and improve corporate governance of the Bank, and make necessary amendment for existing problems;
- (23) other rights conferred by the laws, administrative regulations, departmental rules or these Articles and shareholders' general meeting.

Article 164 The Board of Directors shall explain at a shareholders' general meeting the qualified opinions contained in the audit reports issued by registered accountants in respect of the Bank's finance.

Article 165 The Board of Directors shall not, with out the prior approval in a shareholders' general meeting, dispose of or agree to dispose of any fixed assets where the aggregate of the expected value of the consideration for the proposed disposal and the value of the consideration for any similar disposal of fixed assets in the four months immediately preceding the proposed disposal exceeds 33% of the value of the fixed assets as stated in the last balance sheet reviewed at the shareholders' general meeting. A "disposal of fixed assets" as referred to in this Article includes an act involving the transfer of an interest in certain assets, but does not include the provision of fixed assets by way of security.

Breach of the above provision article shall not affect the validity of any transaction entered into by the Bank in disposing of fixed assets.

Article 166 The Board of Directors shall formulate the rules of procedure for its meetings to ensure that the Board of Directors has put the resolutions adopted at the shareholders' general meeting into action so as to promote work efficiency and make scientific decisions.

Article 167 The Board of Directors shall specify the scope of external investment, asset acquisition and sales, pledge of assets, external guarantee, trust of wealth management and related party transactions and set up a stringent internal control system, formulate a comprehensive investigation and decision making process. Specialists and professionals should be organized to assess any major investment projects and seek approval at a shareholders' general meeting.

Article 168 Related party transactions required to submit to a shareholders' general meeting for consideration shall be adopted by the Board of Directors through a resolution, and such resolution shall not be implemented until being approved at the shareholders' general meeting. Any share holder who has a conflict of interest in such connected transactions shall abstain from voting on such resolution.

Article 169 The Board of Directors shall notify all directors of the date of the meeting in accordance with related provisions, and provide them with adequate materials before such meeting, including background introduction of the subject matters, any information and details which can facilitate the directors to make decisions.

Extraordinary meetings of the Board of Directors shall be convened by the chairman. The Board of Directors shall notify all directors and supervisors five days before such meeting in the form of a written notice sent by hand, registered mail, telegraph, telex, faxes or e-mail.

In case of emergency, the service of notices shall not be subject to the time-limit and can be issued through telephone or other oral ways, but the convener should make explanations in the meeting.

Article 170 The notice of a Board meeting shall contain the following contents:

- (1) the date, time and place of the meeting;
- (2) the duration of the meeting;
- (3) the reason for holding the meeting and subject matters; and
- (4) the date of issuance of the meeting notice.

Article 171 The Board meetings shall only be held when more than half of the directors attend the meeting. Resolutions adopted at the Board meetings must be approved by more than half of the directors.

Supervisors shall attend meetings convened by the Board of Directors as non-voting delegates; the senior management who don't hold directorship shall attend meetings convened by the Board of Directors as non-voting delegates. The host of meeting, if he/she consider necessary, may inform other relevant personnel to attend the Board meeting.

Voting at the Board meetings may be conducted by conference (including video and telephone conference) or by correspondence. Each director shall have one vote.

Article 172 Directors who have related party relations with the resolutions to be discussed at the Board meetings shall not exercise their voting rights on such proposal, nor can they exercise any voting rights on behalf of other directors. The Board meeting shall only be held if more than half of the directors who do not have any related party relations are present. Resolutions of the Board of Directors shall be adopted by more than half of the directors without related party relations with the matter to be resolved. Where less than three directors with no related party relations with the matter are present at the Board meeting, such proposals shall be submitted to the shareholders for approval. A Director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting.

Article 173 Directors shall attend meetings convened by the Board of Directors in person. If a director cannot attend the meeting due to certain reasons, he/she may appoint another director of same class in writing to attend on behalf.

The proxy form shall state the names of the director and the proxy, brief comments of the director on each proposal, scope of authorization, instructions on voting in respect of each of the proposals, validity period as wells signature of the director and date, etc.

The proxy director shall present the written power of attorney to the chairman of the meeting, explain proxy attendance in the attendance book, and exercise the rights of the director within the scope of authorisation. If a director is unable to attend a board meeting in person and has not appointed a representative to attend the meeting, the same shall be deemed to be a waiver of the voting right at such meeting, and the director shall bear the same legal liabilities in respect of resolutions of the Board of Directors.

The appointment of proxy for a board meeting shall comply with the following:

- (1) If related party transactions are to be considered, a director who has interest in the transactions shall not appoint or be appointed by another director as proxy to attend the meeting on his behalf;
- (2) An independent director shall not appoint a non-independent director and shall not accept the appointment by a non-independent director to attend a board meeting on his behalf;
- (3) A director shall not appoint another director to attend a board meeting without stating his opinions and voting instruction and the other director shall not accept such appointment;
- (4) A director shall not accept appointments by more than two directors. A director shall not appoint another director who has been appointed by two other directors to attend a board meeting.

Article 174 Vote may be carried on by the way of correspondence at a Board meeting. Voting by the way of correspondence shall meet the following conditions:

- (1) Issues of correspondence voting shall be sent to all directors at least three days before voting, and provide them relevant background introduction of the subject matters and information and details which can facilitate the director to make decisions;
- (2) Correspondence voting shall adopt the form of one voting for one issue, and it is not allowed to ask directors to make only one voting for several issues;
- (3) Correspondence voting shall be adopted only when it is necessary, and the proposal for communication voting shall explain the reason to adopt it and comply with the requirement of these Articles or the rules and procedures of Board meeting.

Article 175 Minutes shall be taken to record the decisions of matters discussed in the meeting (except for voting by correspondence). Directors and recorder attending the meeting shall sign the minutes.

The board meeting minutes shall be kept as the Bank's files for a period of not less than ten years.

Article 176 Board meeting minutes shall include the following:

- (1) the date and place of the meeting, the name of the convener;
- (2) the names of directors attending the meeting and the names of directors (proxies) appointed by others to attend the Board meeting;
- (3) the agenda of the meeting;
- (4) the main points of directors' speeches; and
- (5) the method and results of the voting for each proposal (the voting results shall state the numbers of votes voting in the affirmative, negative, or in abstention).

Article 177 The following matters shall be approved by more than two-thirds of all directors and the Board meeting shall not be convened by correspondence:

- (1) profit distribution;
- (2) allocation of venture capital;
- (3) material investment;
- (4) material asset disposal;
- (5) appointment or dismissal of members of senior management;
- (6) plans for capital replenishment;
- (7) significant changes in equity;
- (8) financial restructuring;
- (9) other matters required by laws, administrative regulations, departmental rules and relevant regulatory authorities.

Article 178 Directors shall sign the Board resolutions and be responsible for the Board resolutions. If the Board resolutions violate the laws, rules or these Articles, and thus causes serious losses to the Bank, the directors participating in the resolutions shall be liable to the Bank for the losses. However, a director may be exempted from such liability if it is verified that such director has stated its objection when voting and the same was recorded in the Board meeting minutes.

Section 4 Chairman

Article 179 The chairman of the Board of Directors shall have the following duties and powers:

- (1) to preside over shareholders' general meetings, and convene and preside over meetings of the Board of Directors, and to determine the matters to be considered according to laws;
- (2) to supervise and examine the implementation of resolutions of the Board of Directors and report to the Board of Directors;
- (3) to sign certificates of shares and bonds issued by the Bank;
- (4) to exercise the duties and powers of a legal representative;
- (5) to sign material documents of the Board of Directors and other documents which shall be signed by the legal representative of the Bank;
- (6) to lead the formulation of each plan and report that shall be submitted by the Board of Directors to shareholders' general meeting;

- (7) in the event of an occurrence of any severe natural disaster or any other force majeure event, to exercise the special power in relation to the Bank's affairs in the Bank's interests and in compliance with the legal provisions, and subsequently report such activities to the Board of Directors and the shareholders at a general meeting;
- (8) to nominate candidates for the president and Secretary to the Board of Directors as well as other personal who shall be proposed by chairman for appointment or removal by the Board of Directors;
- (9) to propose candidate for member of each special committees of the Board of Directors to the Board of Directors of the Bank;
- (10) other duties and powers conferred by the Board of Directors.

Article 180 The chairman of the Board of Directors presides over regular Board meeting and extraordinary Board meeting. Regular Board meeting shall be convened at least once each quarter and to inform to all directors and supervisors at least fourteen days before the convention of the meeting.

Article 181 When it is proposed by more than one-tenth of the shareholders with voting rights, more than one-third of the directors, more than half of the independent directors, the Board of Supervisors, it is deemed necessary by the chairman, it is proposed by the president and in other circumstances as stipulated by the laws, administrative regulations, departmental rules or these Articles, an extraordinary Board meeting may be convened after the Secretary to the Board of Directors report to the chairman.

Section 5 Secretary to the Board of Directors

Article 182 The Bank shall have a Secretary to the Board of Directors. The secretary to the Board of Directors is a senior management officer of the Bank, and shall be responsible for preparation of the shareholders' general meetings and Board meetings and keeping files, as well as the Bank's shareholder information management and information disclosure. The Secretary to the Board of Directors shall be appointed or removed by the Board of Directors.

Article 183 The Secretary to the Board of Directors shall be a natural person who has acquired requisite professional knowledge and experience. The Secretary to the Board of Directors shall obtain his/her relevant qualification.

Article 184 The Secretary to the Board of Directors shall be appointed by the Board of Directors, whose major duties and responsibilities are:

- (1) ensuring that the Bank has a complete set of the organizational documents and records;
- (2) ensuring that the Bank will prepare and submit the reports and documents required by the authorities according to the laws;
- (3) ensuring that the Bank's register of shareholders is properly set up and ensuring that persons entitled to obtain the relevant records and documents shall be able to obtain them in a timely manner;
- (4) other matters entrusted by the Board of Directors.

Article 185 The Bank's Directors or other of senior management officers may concurrently serve as the secretary to the Board of Directors, but they must ensure they have sufficient energy and time to undertake their duties and responsibilities as the secretary to the Board of Directors. The supervisors of the Bank, accountants of the accounting firm engaged by the Bank, as well as other persons prohibited by the laws, administrative rules and departmental regulations to serve as secretary of the Board of Directors shall not serve as the secretary to the Board of Directors.

If a director of the Bank concurrently serves as the Secretary to the Board of Directors, in the event that an action has to be taken by the director and the Secretary to the Board of Directors respectively, the person acting concurrently as director and the Secretary of the Board of Directors shall not take such action in both of the capacities.

Article 186 The directors, supervisors, senior management officers and related personnel shall give their positive support and cooperation to the works of the Secretary to the Board of Directors.

Section 6 Special Committees under the Board of Directors

Article 187 The Board of Directors shall establish the Strategic Development Committee, the Audit Committee, the Related Party Transactions Control Committee, the Risk Management Committee, the Nomination and Remuneration Committee. Other special committees can also be established if necessary. Members of each Board committee shall be comprised of no less than three director members. A chairman shall be appointed to each Board committee to take charge of convening the activities of each Board committee; in principal, a chairman of a Board committee may not concurrently serve as the chairman of another special committee.

Independent directors shall form the majority of the Audit Committee and, the Nomination and Remuneration Committee; and the chairman of any such Board committee shall be independent director. The Independent directors shall represent at least one-fifth of the Related Party Transactions Control Committee and the chairman of such Board Committee shall be independent director. Directors nominated by controlling shareholders shall not serve as a member of the Related Party Transactions Control Committee and the Nomination and Remuneration Committee.

Members of the Audit Committee can only be comprised of non-executive directors, and at least one of whom is an independent director with appropriate qualifications or accounting or related financial management expertise as required under the Listing Rules.

Article 188 The Board of Directors shall specify the rules of meetings and scope of work authority for each special committee, specifying the special committees' duties, rules of meetings, working procedures and matters authorized by the Board of Directors. The establishment, composition, scope of work authority and disclosure of information, etc. of each special committee shall be in accordance with the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities and these Articles. Each special committee shall formulate annual working plan and convene meetings regularly.

Article 189 Each special committee shall communicate with senior management and department heads regarding the operating and risk conditions of the Bank regularly, and give advice and recommendations.

Article 190 Members of the special committees shall continually keep track of the changes and its impact on related matters of the Bank within the scope of the special committees, and raise the issue to the special committees in a timely manner.

Chapter 6 The President and Other Senior Management Officers of the Bank

Article 191 The Bank shall have one president, who is nominated by Chairman and whose appointment or dismissal and remuneration shall be determined by the Board of Directors; the Bank shall have several vice presidents and other senior management officers, who is nominated by president and whose appointment or dismissal and remuneration shall be determined by the Board of Directors; vice presidents and other senior management officers shall assist the president. President shall designate a vice president perform the duties and powers on behalf of the president when he/her is unable to do so. The qualifications of president, vice presidents and other senior management officers shall be submitted to the banking regulatory authority for approval.

Article 192 Article 135 in relation to the conditions prohibiting a person from acting as a director shall also be applicable to senior management officers.

Article 193 Article 137 in relation to the fiduciary obligations of a director and the Article 138(4) to (7) in relation to obligations of diligence shall be also applicable to senior management officers.

Article 194 The term of office of the president, vice presidents and other senior management officers of the Bank shall be three years, and may be re-appointed upon expiry of their term.

Article 195 The president shall execute each resolutions of the Board of Directors, as well as organize and carry on business and management activities in accordance with the laws, regulations, rules, these Articles and under the authorization of the Board of Directors, and shall perform the following functions and powers:

- (1) take charge of the business operation management and risk management of the Bank, organize the implementation of the resolutions of the Board of Directors and report the work to the Board of Directors;
- (2) submit business plans and investment proposals to the Board of Directors on behalf of the senior management officers, and organize the implementation of Board resolutions, annual plans of the Bank and investment proposals upon approval by the Board of Directors;
- (3) draft proposals on annual financial budget, final accounts and distribution of profit;
- (4) draft proposals on the establishment of the Bank's internal management departments;
- (5) set up the Bank's basic management system;
- (6) formulate the Bank's specific regulations;
- (7) propose to the Board of Directors to engage or dismiss senior management officers, such as the vice presidents and chief financial officer;
- (8) decide to engage or dismiss management officers other than those shall be engaged or dismissed by the Board of Directors;

- (9) decide to engage or dismiss as well as reward or punish staff;
- (10) draft proposals on increase or deduction of the registered capital of the Bank and issuance of financial bonds of the Bank;
- (11) authorize other senior management officers of the Bank and persons in charge of internal departments and branches to conduct operational activities;
- (12) formulate proposals on wages, benefits, rewards and punishment of the Bank's staff, and decide on their appointment and dismissal;
- (13) adopt emergency measures when any major emergency, such as bank run, promptly report them to the banking regulatory authority and the Board of Directors and the Board of Supervisors; and
- (14) other duties and powers conferred by these Articles and by the Board of Directors.

Article 196 The president shall formulate the "Terms of Reference of the President" and implement such terms after being approved by the Board of Directors.

Article 197 The Terms of Reference of the President primarily includes the following:

- (1) conditions and procedures for convening a presidential meeting and the participating personnel;
- (2) duties and responsibilities of the president;
- (3) other matters which are deemed necessary by the Board of Directors.

Article 198 The president, vice presidents and other senior management officers may resign before their terms of office expire. Such persons shall not leave their positions until their exit audits are completed. The specific procedures and measures for such resignation shall be specified in the appointment contract between such persons and the Bank.

Article 199 The appointment of senior management officers of the Bank shall be strictly in compliance with the relevant laws, regulations and these Articles. No organizations or individuals shall be allowed to interfere with the normal procedures for selection and appointment of senior management officers of the Bank. The Bank shall adopt an open and transparent way to select and appoint senior management officers.

Article 200 The appointment and removal of the president shall follow legal procedures.

Article 201 The Bank shall establish an incentive mechanism linking the remunerations of senior management officers with the performance of the Bank and of the individual under incentive plan approved by the Directors of the Board, in order to attract talents and retain the stability of senior management officers.

Article 202 Senior management officers of the Bank shall, in accordance with the needs of the Bank's operations, establish a well-developed internal control mechanism with the appropriate internal rules and regulations, the operational risk control system and the credit approval system, etc. as its key parts, and identify, measure, monitor and control various risk effectively that the Bank faces.

Senior management officers of the Bank who are not director may attend the Board meetings.

Senior management officers of the Bank shall execute resolution of the Board of Directors and establish the systems for reporting regularly to the Board of Directors and reporting to the Board of Directors on the operational results, material contracts, financial position, risk profile, business prospects and other information of the Bank in a timely, accurate and complete manner.

Article 203 Senior management officers of the Bank shall submit themselves to the supervision of the Board of Supervisors, regularly report to the Board of Supervisors in relation to the operational results, material contracts, financial position, risk profile, business prospects and other information of the Bank, and shall not obstruct or hinder the inspection, supervision or other activities carried out by the Board of Supervisors according to its functions and powers.

Article 204 Senior management officers of the Bank shall establish and enhance a system of meetings and formulate the meeting rules and procedure.

Article 205 The senior management officers of the Bank 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 banking regulatory authority.

Article 206 The Board of Directors' performance appraisal on senior management officers shall be the basis for the determination of remunerations and other incentives of senior management officers.

Chapter 7 The Board of Supervisors

Section 1 Supervisors

Article 207 Supervisors shall include shareholder supervisors, supervisors representing the employees and external supervisors, and the proportion of supervisors representing the employees and external supervisors shall not be less than one third of total number of supervisors.

Article 208 The supervisors shall have professional knowledge and work experience in the law and accounting fields. Personnel and structure of the Board of Supervisors shall ensure the Board of Supervisors being able to independently and effectively supervise directors and senior management officers, as well as the Bank's financial conditions, internal control and risks management. The supervisors shall satisfy the following basic requirements:

- (1) with an bachelor's degree (including bachelor's degree) or higher or a job title at middle level or above in the related profession;
- (2) being familiar with the laws and regulations related to the operation and management of commercial banks;

- (3) being able to read, understand and analyze credit statistical report and financial statement of commercial banks;
- (4) having more than five years' experience in law, economy, finance, accounting or other working experience which are helpful for performing the duties of a supervisor; and
- (5) other requirements as stipulated by the laws, administrative regulations and relevant rules.

Article 209 The requirement stipulated in Article 135 under which the persons cannot serve as directors shall be also applicable to the supervisors.

Article 210 The directors, the president, other senior management officers and the person-in-charge of finance of the Bank shall not serve as supervisors concurrently.

Article 211 The shareholder supervisor and the external supervisors shall be elected, removed and replaced at the shareholders' general meeting. The supervisors representing the employees shall be elected, removed and replaced at the employees representatives' general meeting of the Bank or through other means of democratic election. A term-of-service system is implemented for the supervisors. Each term of office is three years and the supervisors may be re-elected and re-appointed. The term of office of the external supervisors for the Bank shall not exceed six years in aggregate.

Article 212 A supervisor may resign during his/her term of office.

When a supervisor intends to resign, he/she shall submit a written resignation to the Board of Supervisors. The resignation of a supervisor shall become effective when the written resignation is served upon the Board of Supervisors.

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

In the event that a supervisor resigns or is removed which results in the number of members or the proportion of the supervisors of the Bank falling below the minimum number as required by the relevant laws, administrative regulations and these Articles or the required proportion, the Bank shall convene a shareholders' general meeting or employees representatives' general meeting as soon as possible to elect a new supervisor.

Article 213 Supervisors shall not jeopardize interests of the Bank by taking advantage of their related party status, and the supervisors shall indemnify the Bank for any losses incurred by the Bank therefrom.

Article 214 Supervisors should ensure the truthfulness, accuracy and completeness of the information disclosed by the Bank.

Article 215 Supervisors shall attend in person at least two-thirds of the meetings of Board of Supervisors each year. The supervisors who fail to attend the meetings in person for two consecutive times or entrust other Supervisors to attend the meetings of Board of Supervisors on behalf, or fail to attend in person at least two-thirds of the meetings of Board of Supervisors each year shall be deemed to be unable to perform their duties and the Board of Supervisors shall propose the shareholders' general meeting or the employees representatives' general meeting to remove them.

Article 216 The working time of the shareholder supervisors and external supervisors of the Bank shall not be less than fifteen working days per year.

Article 217 Supervisors may attend Board meetings, meetings of special committees of the Board and meetings of senior management officers as non-voting attendees and have the rights to query or make proposals in relation to the matters deliberated by the meetings.

Article 218 Supervisors shall be entitled to obtain information related to operating conditions of the Bank, and shall perform the corresponding duties of keeping confidentiality. The Bank shall take measures to safeguard the supervisors' right to know and provide assistance necessary for the supervisors' normal performance of duties. The reasonable expenses incurred by the performance of duties of the supervisors shall be borne by the Bank.

Article 219 Supervisors representing the employees shall have the right to participate in the formulation of the rules and regulations involving the interests of employees of the Bank, and shall proactively conduct supervision and examination on the implementation of such rules and regulations.

Section 2 External Supervisors

Article 220 An external supervisor of the Bank refers to a supervisor of the Bank who holds no post in the Bank except for the supervisor post and has no relation with the Bank or any of its principal shareholders which may affect his/her independent and objective judgement.

External supervisors shall have the same rights as other supervisors and shall conduct supervision over the Board of Directors, senior management officers and personnel of the Bank and carry out audit activities within the authority of the Board of Supervisors according to resolutions of the Board of Supervisors.

Article 221 The provisions herein concerning the qualifications, nomination, election, replacement and resignation procedures for, and basic obligations and responsibilities of independent directors shall apply to the external supervisor.

Article 222 The external supervisors shall give statements to 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 term of office of the external supervisors for the Bank shall not exceed six years in aggregate. They shall not hold positions in more than two commercial banks concurrently and shall not serve as external supervisors for a financial institution which may have interest conflicts with the Bank.

Article 223 The external supervisors shall attend the meeting of Board of Supervisors in person. If they are unable to attend the meeting in person for certain reasons, they may entrust other external supervisors to attend the meeting as their proxy.

Article 224 The Bank shall pay remuneration and allowances to the external supervisors. Payment standard shall be with reference to those for independent directors.

Article 225 External supervisor shall be deemed as committing a serious failure in performing his duties under any of the following circumstances:

- (1) disclosure of the Bank's trade secrets and harming the Bank's legitimate interests;
- (2) accepting improper gains during the performance of their duties;
- (3) manipulation of the position of external supervisors to seek for private gains;
- (4) failing to discover a problem that they should have discovered during the supervision or concealing any problem found, which causes the Bank to suffer material losses; and
- (5) Other serious dereliction identified by regulatory authorities.

The Board of Supervisors has the right to propose at a shareholders' general meeting to remove an external supervisor in any of the following circumstances:

- (1) Serious dereliction of duty specified in the preceding paragraph;
- (2) failure to resign from the position when he/she is no longer qualified to be an external supervisor;
- (3) other circumstances provided by the laws, administrative regulations and rules where an external supervisor is no longer suitable for holding such position.

An external supervisor who is dismissed by general meeting for committing a serious failure in performing his duties shall not serve as external supervisors of the Bank for the remaining time of their life.

Section 3 Board of Supervisors

Article 226 The Bank shall have a Board of Supervisors. The Board of Supervisors shall be the internal supervisory body of the Bank and shall be accountable to the shareholders' general meeting. The Board of Supervisors of the Bank shall be composed of five to seven supervisors. The Board of Supervisors shall have a chairman. The appointment and removal of chairman 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 convene and preside over meetings of the Board of Supervisors. If the chairman of the Board of Supervisors is unable or fails to perform such duties, a supervisor elected by more than half of all the supervisors shall perform such duties.

Article 227 The Board of Supervisors of the Bank shall legally exercise the following duties and powers:

- (1) to examine financial activities of the Bank;
- (2) to oversee the conduct of the directors and senior management officers of the Bank in performing their duties that fails to comply with the laws, administrative regulations or these Articles, propose removal of the directors and senior management officers, who have violated laws, administrative rules and regulations, these Articles or resolutions of the shareholders' general meeting;
- (3) to request the directors and senior management officers of the Bank to rectify their act of damaging the benefits of the Bank;
- (4) to check such financial information as financial report, operational report and profit distribution plan to be submitted by the Board of Directors to the shareholders' general meeting, and may, in the name of the Bank, entrust a certified public accountant or practicing auditor to help review any queries found;
- (5) to propose the convening of extraordinary shareholders' general meetings, and to convene and preside over the shareholders' general meetings if the Board of Directors fails to call and preside over such a meeting as stipulated by these Articles;
- (6) to present proposals to the shareholders' general meetings;
- (7) to negotiate with a director or bring actions against a director on behalf of the Bank; and;
- (8) other duties and powers prescribed by these Articles.

Article 228 The Board of Supervisors of the Bank shall focus on the following matters:

- (1) to supervise the Board of Directors in establishing sound operational philosophy and value standards and formulating development strategies in line with the actual conditions of the Bank;
- (2) to regularly evaluate the effectiveness, rationality and efficiency of the development strategy formulated by the Board of Directors and prepare evaluation reports;
- (3) to inspect and supervise the operating decision, risk management and internal control of the Bank, and supervise the rectification;
- (4) to supervise the election procedure for directors;
- (5) to conduct comprehensive evaluation on the performance of duties by directors, supervisors and senior management officers;
- (6) to supervise the remuneration management system and policy of the Bank and the effectiveness and rationality of the remuneration plan of senior management officers; and
- (7) to regularly communicate with the banking regulatory authority.

Article 229 The Board of Supervisors may conduct investigation when becoming aware of any unusual operating situation of the Bank; and if necessary, may engage the professional entities, including the accounting firm and the legal firm, to assist in its work. The expenses so incurred shall be borne by the Bank.

Article 230 The Board of Supervisors shall examine the profit distribution proposals of the Bank and provide opinions on the compliance and rationality of the profit distribution proposals.

Article 231 The Board of Supervisors shall have its own independent expense budget. The Board of Supervisors shall have the right to administrate its budget independently according to its business needs. The expenses needed for the Board of Supervisors to carry out its duties shall be borne by the Bank.

Article 232 The Board of Supervisors shall have an office under its leadership as the executive body of the Board of Supervisors, which shall be responsible for preparing for meetings of the Board of Supervisors and meetings of special committees under it, as well as other routine work. The staff employed by the office of the Board of Supervisors shall possess relevant professional knowledge to sufficiently ensure the performance of the supervisory functions of the Board of Supervisors.

Section 4 Chairman of the Board of Supervisors

Article 233 The chairman of the Board of Supervisors shall be served by a dedicated designated person who shall possess professional knowledge work experience in the financial field, e.g. accounting, audit, finance or law, etc.. The chairman shall perform the following duties:

- (1) to convene and preside over meetings of the Board of Supervisors and determine matters to consider;
- (2) to organize the performance of duties of the Board of Supervisors;
- (3) to sign reports and other important documents of the Board of Supervisors;
- (4) to report on the work of the Board of Supervisors to the shareholders' general meeting;
- (5) to help supervisors conduct work efficiently, and lead the Board of Supervisors in an effective manner;
- (6) to ensure supervisors being able to obtain accurate, timely and clear information;
- (7) to lead the formulation of each proposals and reports that the Board of Supervisors shall submit to shareholders' general meetings;
- (8) other functions and powers stipulated by the laws, regulations and these Articles.

Section 5 Meetings of the Board of Supervisors

Article 234 The Board of Supervisors shall formulate its rules of procedures, and specify explicitly the method of discussion and the voting procedure of the Board of Supervisors to ensure its efficiency and scientific decision-making. The rules of procedures of the Board of Supervisors shall be formulated by the Board of Supervisors and approved by the shareholders' general meeting.

Article 235 Meetings of the Board of Supervisors shall include regular meetings of the Board of Supervisors and provisional meetings of the Board of Supervisors. The regular meeting of the Board of Supervisors shall hold meeting at least once every quarter and shall be convened by the chairman of the Board of Supervisors.

The office of the Board of Supervisors shall send the written notice of a meeting to all the supervisors by hand delivery, fax, email or other means ten days and five days before a regular meeting or a provisional meeting of the Board of Supervisors respectively.

The Board of Supervisors shall notify all supervisors of the date of the meeting in accordance with the provisions, and provide them with adequate materials timely before the meeting, including background information of the subject matters, any information and data which can facilitate the supervisors to make decisions.

Where a provisional meeting of the Board of Supervisors needs to be convened in emergency, the notice of such meeting may be sent by telephone or by other verbal means without the constraints of time period, but the convener shall make explanations at the meeting.

Article 236 Depending on its needs, the Board of Supervisors may, orally or in writing, make suggestions, give indications, arrange for interviews or make enquiries towards the Board of Directors, the members of senior management and other staff and require them to respond.

Article 237 The chairman of the Board of Supervisors shall convene a provisional meeting of the Board of Supervisors within ten days under the circumstance that the chairman of the Board of Supervisors considers it necessary or under any other circumstances as stipulated by the laws, administrative regulations, regulatory documents or these Articles.

Article 238 The notice of a meeting of the Board of Supervisors shall contain the following contents:

- (1) the date, time and place of the meeting;
- (2) the duration of the meeting;
- (3) the reason for holding the meeting and topics for discussion;
- (4) the date of issuance of the meeting notice; and
- (5) the contact persons of the meeting and their contact information.

Article 239 The supervisors shall attend the meeting of the Board of Supervisors in person. If a supervisor cannot attend a meeting due to certain reasons, he/she may appoint another supervisor in writing to attend on his/her behalf, while a supervisor shall not be appointed by more than two supervisors in each meeting of the Board of Supervisors.

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

The supervisor acting as proxy shall exercise the appointor's rights within the scope of authorization. If a supervisor does not attend the meeting of the Board of Supervisors and fails to appoint other supervisor to attend the meeting, he/she shall be deemed to have waived the voting rights at such meeting.

Article 240 The meeting of the Board of Supervisors shall be held only upon the presence of more than half of the supervisors. Resolutions at a meeting of the Board of Supervisors shall be voted in form of disclosed ballot such as voting by a show of hands and voting by poll or written communication. Each supervisor attending the meeting shall have one vote. Resolutions proposed by the Board of Supervisors shall be approved by more than two-thirds of the members of the Board of Supervisors.

Article 241 The meeting of the Board of Supervisors can adopt resolutions by way of voting through written communication provided that the supervisors are guaranteed to be informed and fully express their opinions and such resolution shall be signed by the participating supervisors.

Article 242 The supervisors shall sign and take responsibility for the resolutions of the Board of Supervisors. Where a resolution of the Board of Supervisors is in violation of the laws, administrative regulations, rules or these Articles, thereby causes serious losses to the Bank, the supervisors who are involved in the resolution shall be liable to the Bank for damages. However, where a supervisor 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 supervisors may be relieved from such liability.

Article 243 Minutes shall be prepared for the matters put to the meetings of the Board of Supervisors for consideration, on which the supervisors present at the meetings and the person taking minutes shall sign. The supervisor is entitled to request that an explanatory note to his speeches made at the meetings be noted in the minutes. The minutes of a meeting of the Board of Supervisors shall be kept as archives of the Bank for at least ten years.

Article 244 The minutes of a meeting of the Board of Supervisors shall contain the following contents:

- (1) the date and place of the meeting;
- (2) the names of the convener and the person taking minutes;
- (3) the names of the supervisors attending the meeting and the names of the supervisors (proxies) appointed by other supervisors to attend the meeting;
- (4) the agenda of the meeting;

- (5) the main points of the speeches of the supervisors; and
- (6) 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).

Section 6 Special Committees under the Board of Supervisors

Article 245 Special committees (namely the Supervision Committee and the Nomination Committee) are set up under the Board of Supervisors. Each special committee shall be accountable to the Board of Supervisors and shall perform its tasks according to these Articles and the rules of procedures of the Board of Supervisors. Each special committee shall be composed of at least three supervisors. Each special committee shall have one chairman who is responsible for convening the activities of each special committee. The chairman of each special committee shall be served by an external supervisor. A supervisor may serve for various committees concurrently.

Article 246 The Board of Supervisors shall formulate the working rules for each of its special committees, specifying their duties, rules of procedure, work procedures and matters as authorized by the Board of Supervisors. Each special committee's establishment, composition of members, scope of work authority and requirements for the disclosure of information etc. shall be in accordance with the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities and these Articles.

Chapter 8 Qualifications and Obligations of Directors, Supervisors and Senior Management Officers

Article 247 The qualifications for the positions of the directors, supervisors and senior management officers of the Bank shall meet the requirements stipulated by the laws, administrative regulations, departmental rules, the regulations of the relevant regulatory authorities and these Articles. In accordance with the aforementioned requirements, the qualifications of the directors and senior management officers shall be verified by the banking regulatory authority.

Article 248 The validity of a conduct of directors and senior management officers of the Bank acting on behalf of the Bank with a bona fide third party shall not be affected by the irregularities in the appointment, election or qualification of such person.

Article 249 In addition to the obligations stipulated by the laws, administrative regulations, the Listing Rules, the regulations of the relevant regulatory authorities and these Articles, in exercising their duties and functions, the directors, supervisors and senior management officers of the Bank shall also assume the following obligations to each and every shareholder:

- (1) to ensure that the Bank does not operate beyond the scope of business stipulated in its business license;
- (2) to act in good faith and in the best interests of the Bank;
- (3) not to deprive the Bank of its assets in any way, including but not limited to depriving the Bank of any advantageous business opportunities; and
- (4) not to deprive the shareholders of any personal rights and interests, including but not limited to the right to distributions and the right to vote, but excluding the submission of company restructuring proposals to the shareholders' general meeting in accordance with these Articles.

Article 250 The directors, supervisors and senior management officers of the Bank shall have a responsibility to apply the same level of care, diligence and skill in exercising their rights or carrying out obligations as would be shown by a reasonably prudent person in similar circumstances.

Article 251 The directors, supervisors and senior management officers of the Bank must act with good faith in exercising their duties and responsibilities, and shall not put themselves in any situation where their personal interests may conflict with their obligations. This extends to, but not limited to the following obligations:

- (1) to act in good faith and in the best interests of the Bank;
- (2) to exercise powers within the scope of their authority and they shall not exceed their scope of authority;
- (3) to exercise in person the discretion conferred on them and free from the influence of others; and not to transfer their discretion for others to exercise in the absence of the laws and administrative regulations providing to the contrary or through the informed consent of shareholders in a shareholders' general meeting;
- (4) to treat shareholders of the same class in the same way, and to fairly treat shareholders of different classes;
- (5) not to enter into any contract, transaction or arrangement with the Bank except if otherwise prescribed by these Articles or if there is informed consent from shareholders through a shareholders' general meeting;
- (6) not to use any assets of the Bank to seek personal advantages in any way without the informed consent of shareholders through a shareholders' general meeting;
- (7) not to accept bribes or other forms of illegal income by taking advantage of his authority, nor to embezzle the assets of the Bank in any way, these assets including but not limited to any business opportunities that are advantageous to the Bank;
- (8) not to accept any commission related to transactions of the Bank without the informed consent of the shareholders through a shareholders' general meeting;
- (9) to comply with these Articles, perform their duties faithfully and safeguard the interests of the Bank, and not to take advantage of their position and authority at the Bank to seek personal gain;
- (10) not to engage in any form of competition with the Bank without the informed consent of the shareholders through a shareholders' general meeting;
- (11) not to misappropriate the funds of the Bank or lend the funds of the Bank to others, not to put any assets of the Bank under an account opened in his own name or in the name of others, not to use the Bank's assets as security for the debts of the shareholders of the Bank or others; and

- (12) not to divulge any confidential information relating to the Bank and obtained by them during their term of office without the informed consent of the shareholders through a shareholders' general meeting; and not to use such information except it is in the interests of the Bank; however the information may be disclosed to the court or other relevant regulatory authorities if the disclosure is:
 - (i) in accordance with the law;
 - (ii) in the public interest;
 - (iii) required for the interests of the directors, supervisors and senior management officers.

Article 252 The directors, supervisors and senior management officers of the Bank shall not direct the following persons or institutions ("related persons") to take any acts which the directors, supervisors and senior management officers are themselves prohibited from taking:

- (1) the spouse or underage children of the directors, supervisors and senior management officers of the Bank;
- (2) a trustee of any of the directors, supervisors and senior management officers of the Bank or a trustee of the persons referred to in item (1) of this Article;
- (3) a partner of the directors, supervisors or senior management officers of the Bank or a partner of the persons referred to in items (1) and (2) of this Article;
- (4) a company which is under the de facto control of the directors, supervisors and senior management officers of the Bank, or a company which is under the de facto joint control of the persons referred to in items (1), (2) and (3) of this Article or with other directors, supervisors and senior management officers of the Bank; and
- (5) the directors, supervisors and senior management officers of the companies referred to in item (4) of this Article.

Article 253 The directors, supervisors and senior management officers of the Bank shall perform their obligations of fidelity and diligence according to the laws, rules and these Articles, and be liable to indemnify for any losses of the Bank arising from their violation of the laws, administrative regulations, departmental rules and these Articles when performing duties.

Article 254 The directors, supervisors and senior management officers of the Bank shall comply with the laws, administrative regulations and these Articles and shall assume faithful duties and diligent duties to the Bank. The directors, supervisors and senior management officers of the Bank shall not accept bribes or other illegal income by taking advantage of their positions or rights and shall not encroach upon property of the Bank.

Article 255 The shareholders may make an informed decision at the shareholders' general meeting to dismiss any director, supervisor and senior management officers of the Bank who has violated any obligations, unless the circumstances specified in Article 68 would apply.

Article 256 The fiduciary duties owed by the directors, supervisors and senior management officers of the Bank shall not necessarily be terminated at the end of their term of office, and their obligation to keep the trade secrets of the Bank confidential shall remain valid after their term of office expires until such trade secrets become public information. The duration of other obligations shall be determined by what is fair, and will depend on the length of time between the date on which the directors leave their positions and the relevant event involving the obligations as well as the circumstances and conditions in which their relationship with the Bank terminated.

Article 257 When the directors, supervisors and senior management officers of the Bank have direct or indirect material conflict of interests in any executed or proposed contracts, transactions or arrangements (except the employment contracts between the Bank and its directors, supervisors and senior management officers), regardless of whether such interests are usually subject to the approval or consent of the Board of Directors, such persons shall disclose the nature and extent of the interests to the Board of Directors as soon as possible.

Unless the directors, supervisors and senior management officers of the Bank with conflicts of interest have disclosed their interests to the Board of Directors in accordance with the requirements of the preceding paragraph, and the Board of Directors has approved the matter without counting the interested persons into the quorum and without their participation in the vote, the Bank shall have the right to rescind such contracts, transactions or arrangements, except in circumstances where the counterparty is acting in good faith and unaware that the directors, supervisors and senior management officers are in breach of their obligations.

If the associates (as defined under the Listing Rules) of a director, supervisor or senior management officers of the Bank have any conflict of interests with any contracts, transactions or arrangements, the related director, supervisor and senior management officers shall be deemed to have a conflict of interests as well.

Article 258 Before the Bank considers entering into contracts, transactions or arrangements for the first time, if the interested directors, supervisors and senior management officers of the Bank have provided a written notice to the Board of Directors stating that they have a conflict of interests in the contracts, transactions or arrangements which would be entered into by the Bank in the future for the reasons set out in the notice, then the director, supervisor and senior management officers concerned shall be deemed to have made the disclosure as required in the preceding Article of this chapter to the extent as set out in the notice.

Article 259 The Bank shall not in any way pay taxes for the directors, supervisors and senior management officers of the Bank.

Article 260 The Bank shall not, directly or indirectly, provide any loan or loan guarantee to the directors, supervisors and senior management officers of the Bank, nor shall the Bank provide the same to their related persons.

The preceding paragraph shall not apply in the following circumstances:

- (1) loans or loan guarantees provided by the Bank to its subsidiary banks (subsidiary companies);
- (2) loans, loan guarantees or other funds provided by the Bank to the directors, supervisors or senior management officers of the Bank pursuant to their employment contracts which were adopted by the shareholders' general meeting, so that the foregoing persons can make payments in the interests of the Bank or for the expenses incurred in performing their duties and responsibilities;
- (3) loans and loan guarantees provided by the Bank to the relevant directors, supervisors and senior management officers of the Bank and their related persons, provided that the loans and loan guarantees are provided on normal commercial terms and conditions.

Article 261 If the Bank provides a loan in breach of the provisions of the preceding Article, regardless of the terms of the loan, the person who has received the loan shall repay it immediately.

Any loan guarantee provided by the Bank in violation of the first paragraph of the foregoing Article shall not be enforceable against the Bank, except for the following circumstances:

- (1) where a loan has been provided to the related persons of the Bank's directors, supervisors and senior management officers and the provider of the loan is unaware of the violation; and
- (2) the security provided by the Bank has been sold legally by the loan provider to a purchaser acting in good faith.

Article 262 The guarantee referred to in the preceding Articles of this Chapter includes acts whereby the guarantor undertakes liabilities or provide assets to ensure that the obligor performs its obligations.

Article 263 When the directors, supervisors and senior management officers of the Bank are in breach of the obligations owed towards the Bank, apart from the various rights and remedies provided by the laws and administrative regulations, the Bank shall have the right to take the following measures:

- (1) to require the directors, supervisors and senior management officers concerned to compensate the Bank for the losses caused by their dereliction of duties;
- (2) to rescind any concluded contracts or transactions between the Bank and the directors, supervisors and senior management officers concerned, and the contracts or transactions concluded between the Bank and third parties (when the third parties know or should have known that the directors, supervisors and senior management officers of the Bank are in breach of their obligations);
- (3) to require the directors, supervisors and senior management officers concerned to hand over any benefits which have been obtained from their breach of obligations;

- (4) to recover funds which should have been received by the Bank, including but not limited to commission from the directors, supervisors and senior management officers concerned; and
- (5) to require the directors, supervisors and senior management officers concerned to repay the interest which is or may be accrued from the funds which should have been received to the Bank.

Article 264 The Bank shall enter into written contracts with the directors and supervisors regarding remuneration which are subject to the prior approval from the shareholders' general meeting. The matters relating to remuneration include:

- (1) remuneration for the directors, supervisors or senior management officers of the Bank;
- (2) remuneration for the directors, supervisors or senior management officers of the subsidiary banks (subsidiary companies) of the Bank;
- (3) remuneration for those providing other services for managing the Bank and its subsidiary banks (subsidiary companies); and
- (4) compensation to directors or supervisors for loss of their office or upon retirement.

Except for the contracts mentioned above, the directors and supervisors shall not initiate litigation against the Bank to claim benefits due to them for the foregoing matters.

Article 265 The remuneration contracts between the Bank and its directors or supervisors shall stipulate that if the Bank is acquired, the directors and supervisors of the Bank shall, subject to prior approval from the shareholders' general meeting, be entitled to compensation or other funds for loss of their positions or upon retirement. The acquisition of the Bank previously mentioned refers to one of the following circumstances:

- (1) a takeover offer made by any person to all shareholders; and
- (2) a takeover offer made by any person with the intent of becoming the controlling shareholder.

If the directors and supervisors concerned do not comply with the provisions of this Article, any funds received by them shall go to the persons who have accepted the offer mentioned above and sell their shares. The directors and supervisors shall bear the expenses arising from the distribution of such amounts proportionally, and such expenses shall not be deducted from the amounts.

Chapter 9 Financial Accounting System, Profits Distribution and Audit

Section 1 Financial Accounting System

Article 266 The Bank shall formulate its financial accounting system in accordance with the laws, administrative regulations, the unified national financial accounting system and the provisions of the relevant regulatory authorities.

Article 267 The Bank shall not have any books of accounts in addition to its statutory ones. No asset of the Bank may be kept in any account opened in the name of any individual.

Article 268 The accounting year of the Bank shall be the calendar year, beginning from January 1st and ending on December 31st of the calendar year.

The Bank shall prepare an annual financial report within four months after the end of each accounting year and submit it to the relevant regulatory authorities after being audited and certified in accordance with the relevant laws.

The said annual financial report shall be prepared according to the relevant laws, administrative regulations and departmental rules.

Article 269 The Bank shall publish its financial report twice in each accounting year, i.e. it shall publish its interim financial report within sixty days after the end of the first six months of each accounting year, and its annual financial report within one hundred and twenty days after the end of each accounting year.

Where the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed provide otherwise, such provisions shall prevail.

Article 270 The Board of Directors shall make available at each annual shareholders' general meeting the financial reports prepared by the Bank in accordance with the relevant laws, administrative regulations, departmental rules, regulatory documents and the Listing Rules.

Article 271 The financial reports of the Bank shall be made available at the Bank twenty days or earlier before the convening of the annual shareholders' general meeting for inspection by shareholders. Each shareholder of the Bank shall be entitled to obtain the financial reports mentioned in this Chapter.

Except as otherwise provided in these Articles, the Bank shall, at least twenty-one days prior to the date of the annual shareholders' general meeting, send the financial reports mentioned above or report of the Board of Directors together with the balance sheet and the profit and loss statement or income and expenditure statement to each shareholder of overseas-listed foreign shares by prepaid mail, and the addresses of recipients shall follow the addresses set out in the register of shareholders. Where there are otherwise provisions by the laws, regulations or securities regulatory authority in the listing place where our shares are listed in relation thereto, those provisions shall be observed.

Article 272 The Bank shall prepare its financial statements in accordance with the accounting standards and regulations of the People's Republic of China, as well as in accordance with the international accounting standards or the accounting standards required by the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed. If there are any major differences between the financial statements prepared in accordance with the two accounting standards, such differences shall be stated in the notes to the financial statements. When distributing the after-tax profits for the relevant accounting year, the Bank shall adopt the one with the lower after-tax profits out of the aforesaid two financial statements.

Article 273 The interim results or financial information to be published or disclosed by the Bank shall be prepared in accordance with the People's Republic of China accounting standards and regulations, as well as in accordance with the international accounting standards or the accounting standards required by securities regulatory authorities of the jurisdiction in which the Bank's shares are listed.

Article 274 The capital reserve of the Bank shall include the following funds:

- (1) premium obtained from the issue of shares in excess of the par value; and
- (2) other revenue to be included in the capital reserve as required by the financial authority of the State Council.

Article 275 The after-tax profit of the Bank for the year shall be distributed in the following order of priority:

- (1) to make up for the losses of previous years;
- (2) to set aside 10% as statutory reserve fund;
- (3) to set aside general reserve;
- (4) to set aside discretionary reserve fund; and
- (5) to pay dividends to shareholders in pro rata to their shareholding.

The Bank needs not allocate further amounts if the accumulated amount of the statutory reserve fund is over 50% of its registered capital.

Where the shareholders' general meeting distributes profits to shareholders before the Bank's making up losses and setting aside statutory reserve funds and violates the foregoing provisions, the shareholders concerned must return to the Bank the profits distributed in violation of the provisions.

Shares of the Bank held by the Bank shall not participate in the distribution of profits.

Article 276 The reserve fund of the Bank shall be used for making up the Bank's losses, expanding the Bank's scale of operation or increasing the capital of the Bank, but capital reserve fund shall not be used for making up the Bank's losses.

When the statutory reserve fund is converted to capital, the balance of such reserve fund shall not be less than 25% of the Bank's registered capital before the conversion.

Article 277 Payments made by shareholders in advance of calls on any shares shall carry interest. However, shareholders shall not have any right to receive dividends declared thereafter in relation to any such payment made in advance.

Article 278 The Bank shall appoint for shareholders of overseas-listed foreign shares a recipient agent. The recipient agent shall collect on behalf of the shareholders concerned the dividends distributed and other funds payable by the Bank in respect of the overseas- listed foreign shares and safe-keep such dividends and funds in custody for payment to these shareholders.

The collection agent appointed by the Bank shall comply with the laws of the jurisdiction in which the Bank's shares are listed or the relevant requirements of the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed.

The recipient agent appointed by the Bank for the shareholders of the overseas-listed foreign shares listed in the Hong Kong Stock Exchange shall be a trust company registered in accordance with the Trustee Ordinance (Cap. 29) of Hong Kong.

Article 279 Where power is given to forfeit unclaimed dividends, that power shall not be exercised until the expiry of the applicable effective period.

The Bank has the right to cease delivering dividend notice to the shareholders of overseas-listed foreign shares by mail, but such right can only be exercised after the dividend notice has not been drawn twice consecutively. If a dividend notice fails to reach the expected recipient in the initial mail delivery and is returned, the Bank may exercise the right promptly.

The Bank has the right to sell the shares of the untraceable shareholders of overseas- listed foreign shares through the methods the Board of Directors deems appropriate and subject to the following conditions:

- (1) The Bank has distributed dividends on such shares at least three times in a period of twelve years and the dividends are not claimed by anyone during that period; and
- (2) After the expiration of the twelve-year period, the Bank makes a public announcement in one or more newspapers in the place of listing, stating its intention to sell such shares and notifies the stock exchange of the jurisdiction in which the Bank's shares are listed.

Article 280 The profit distribution policy of the Bank shall emphasize the reasonable investment return to the shareholders, maintain certain continuity and stability and be in the interest of the Bank's long-term development. The Bank shall distribute dividend at the profit-making year. The Bank may distribute profits via bonus issue, payment of cash dividend and so on.

Section 2 Internal Audit

Article 281 The Bank shall establish an internal audit system with professional audit personnel to undertake internal auditing and supervision of the Bank's financial income and expenditures and economic activities. The internal audit department shall be accountable and report to the Board of Directors.

Article 282 The Bank may appoint a chief audit officer. The chief audit officer and the internal audit department shall regularly report to the Board of Directors, its Audit Committee and the Board of Supervisors on the progress of audit work, and deliver the audit report in timely manner, and the senior management officers shall be informed accordingly. The Board of Directors shall be responsible for the appointment and dismissal of the chief audit officer and the head of audit department.

Section 3 Engagement of Accounting Firms

Article 283 The Bank shall engage independent accounting firms that comply with the relevant State regulations to audit annual financial reports of the Bank and to review other financial reports of the Bank.

Article 284 The term of engagement of an accounting firm engaged by the Bank shall start from the closing of the current annual shareholders' general meeting and end at the closing of the next annual shareholders' general meeting.

If a vacancy of the position of an accounting firm arises, the Board of Directors may appoint an accounting firm to fill such vacancy before the holding of a shareholders' general meeting. If there are other engaged accounting firms of the Bank while such vacancy still exists, such accounting firms shall continue to serve.

Article 285 An accounting firm engaged by the Bank shall have the following rights:

- (1) to inspect the financial statements, records and documents of the Bank, and to require the directors or senior management officers of the Bank to provide relevant information and explanation;
- (2) to require the Bank to adopt all reasonable measures to obtain from its subsidiary banks (subsidiary companies) such information and explanations as required by the accounting firm for performance of its duties; and
- (3) to attend the shareholders' general meeting, to obtain the notice of shareholders' general meeting or other information in relation to the meeting, and to speak at the shareholders' general meeting on matters involving its duties as the accounting firm appointed by the Bank.

Article 286 The shareholders' general meeting may, by way of an ordinary resolution, dismiss an accounting firm, prior to the expiration of the term of office of the accounting firm, regardless of the terms and conditions of the contract between the accounting firm and the Bank. If the accounting firm concerned has the right to make a claim against the Bank due to its dismissal, such right shall not be affected.

Article 287 The remuneration of the accounting firm or the ways to determine the remuneration of the accounting firm shall be determined by the shareholders' general meeting. The remuneration of the accounting firm engaged by the Board of Directors shall be decided by the Board of Directors.

Article 288 The appointment, dismissal or non-reappointment of an accounting firm shall be decided upon by the shareholders' general meeting and reported to the securities authority for record.

If the shareholders' general meeting adopts a resolution to engage an accounting firm other than the incumbent one to fill up any vacancy of the post, or to renew the engagement of an accounting firm engaged by the Board of Directors to fill up the vacancy, or to dismiss an accounting firm before the expiration of its term of office, the following provisions shall be satisfied:

- (1) before sending out notice of a shareholders' general meeting, the proposal on engagement or dismissal shall be sent to the accounting firm to be engaged or to leave its post or that has left its post in the relevant accounting year.

Leaving the post includes dismissal, resignation from the post and leaving the post after the expiration of the term of office.

- (2) if the accounting firm that is about to leave its post makes a written statement, and requests the Bank to inform the shareholders of its statement, the Bank shall, unless the time of receiving the written statement is too late, adopt the following measures:
 - (i) state in the notice sent out for the purpose of a resolution that the accounting firm to leave its post has made a statement;
 - (ii) send a copy of the statement in the form of an attachment to the notice to shareholders in the manner stipulated by these Articles.
- (3) if the statement of the relevant accounting firm is not sent by the Bank in accordance with the above provisions in subsection (2) above, the accounting firm concerned may request that the statement be read out at the shareholders' general meeting and make further appeal.
- (4) an accounting firm which is leaving its post shall be entitled to attend the following meetings:
 - (i) shareholders' general meeting at which its term of office shall expire;
 - (ii) shareholders' general meeting at which the vacancy due to its dismissal is to be filled up; and
 - (iii) shareholders' general meeting convened due to its resignation from its post.

The accounting firm which is leaving its post shall be entitled to receive all notices of the aforesaid meetings or other information in relation to the meetings and speak on any issues at the aforesaid meetings, which concern its duties as the former accounting firm of the Bank.

Article 289 When the Bank dismisses or does not renew the engagement of an accounting firm, it shall give advance notice to the accounting firm. When voting on dismissal or non-reappointment of an accounting firm at the shareholders' general meeting, such accounting firm shall be permitted to present its views at the shareholders' general meeting.

Article 290 Where an accounting firm tenders resignation, it shall explain to the shareholders' general meeting whether there is any irregularity in the Bank.

An accounting firm may resign its office by depositing at the Bank's registered address a written resignation notice. Any such notice shall become effective on the date when it is deposited at the Bank's registered address or on such later date as may be specified in the notice. Such notice shall contain:

- (1) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the attention of the shareholders or creditors of the Bank; or
- (2) a statement about any circumstances that shall be disclosed.

The Bank shall, within fourteen days after receiving the aforesaid written notice, send a copy of the notice to the relevant regulatory authorities. If the notice contained a statement referred to in the above item (2), the Bank shall also deposit a copy of the said statement in the Bank for the shareholders' review. The Bank shall send by prepaid mail a copy of the statement mentioned above to each shareholder of overseas-listed foreign shares, and the address of the recipient shall be that recorded in the register of shareholders, or publish the copy of the statement through the website of the Bank or website of the stock exchange of the place where the Bank's shares are listed under the premises of abiding by the applicable laws, regulations and Listing Rules.

If the accounting firm's notice of resignation contains any statement about circumstances which need to be accounted for, the accounting firm may request the Board of Directors to convene an extraordinary general meeting for the purpose of making an explanation of the circumstances in connection with its resignation.

Chapter 10 Notices and Announcements

Article 291 The notices of the Bank shall be given in the following ways:

- (1) by hand;
- (2) by mail, e-mail, telex or fax;
- (3) by way of an announcement published in the newspaper or other designated media;
- (4) subject to the compliance with the laws, regulations and the listing rules of the stock exchange of the jurisdiction in which the Bank's shares are listed, by way of posting on the website of the Bank and the website designated by the stock exchange;
- (5) by such ways as agreed in advance between the Bank and the party to be notified or any other way which is recognized by the party to be notified after having received such notice; and

- (6) other ways which are recognized by the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed or stipulated in these Articles.

Even where these Articles have otherwise provided for the methods of announcement or notification for any documents, notices, or other corporate communications, subject to the relevant provisions of the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed, the Bank may choose to publish its communications by the means specified in item (4) of the first paragraph in this Article, to replace the means of sending written documents to each shareholder of overseas-listed foreign shares by hand or by prepaid mail. The said communications above refer to any documents sent or to be sent by the Bank to the shareholders for reference or for taking action, include but not limited to annual reports (including annual financial reports), interim reports (including interim financial reports), reports of the Board of Directors (together with balance sheets and income statements), notice of shareholders' general meetings, circulars and other communications.

Article 292 The notice given by the Bank shall be deemed as received by all the relevant persons once publicly announced if the notice is delivered in the form of public announcement.

Article 293 The notice for convening shareholders' general meetings of the Bank shall be issued in the form of a notice or public announcement.

Article 294 The notice for convening board meetings of the Bank shall be issued by hands, mails, fax, e-mail and so on.

Article 295 The notice for convening meetings of the Board of Supervisors of the Bank shall be issued by hands, mails, fax, e-mail and so on.

Article 296 For a notice of the Bank sent by hand, the recipient shall sign (or seal) the relevant receipt, and the receipt date shall be the date of service; for a notice of the Bank sent by mail, the third working day from the date of delivering to mail acceptance institution shall be the date of service; for a notice of the Bank sent by fax, the same day of sending the fax shall be the date of service; for a notice of the Bank sent by emails, the same day of sending the emails shall be the date of service; for a notice of the Bank sent by telex, the third working day from the date of sending the telex shall be the date of service; for a notice issued by announcement, the date of service shall be the date of the first release of such announcement.

Where the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed provides otherwise, such provisions shall prevail.

Article 297 Where, as a result of accidental omission, a notice of meeting is not given to a person who is entitled to receive such notice or where such person has not received the notice, the meeting or any resolution adopted at the meeting shall not be invalidated as a result.

Article 298 Where the relevant provisions of the securities regulatory authorities in the jurisdiction in which the Bank's shares are listed require that the Bank sends, mails, distributes, releases or announces, or provides by other means the Bank's corporate communications in both English and Chinese versions, if the Bank has made appropriate arrangements to determine whether its shareholders expect to receive the English version or the Chinese version only, the Bank may (based on the preference expressed by shareholders) send the English or Chinese version only to relevant shareholders within the scope permitted by the applicable laws and regulations and in accordance with applicable laws and regulations.

Chapter 11 Mergers, Division, Increase of Capital, Reduction of Capital, Takeover, Dissolution and Liquidation

Section 1 Mergers, Division, Increase of Capital and Reduction of Capital

Article 299 The merger taken by the Bank may be in the form of merger by absorption or merger by the establishment of a new company.

A merger by absorption refers to the situation where a company absorbs another company and the absorbed company is dissolved. A merger by the establishment of a new company refers to the situation where two or more companies merge and establish a new company and all of the parties to the merger are dissolved.

Article 300 For a merger or division of the Bank, the Board of Directors shall put forward a proposal, and the formalities for approval shall be handled in accordance with the law after the proposal has complied with the procedures specified in these Articles. The shareholders who oppose the Bank's merger or division plans have the right to ask the Bank or the shareholders who approve the merger or division plans to purchase their shares at a fair price. The contents of the resolution on the merger or division of the Bank shall be made into special document, which shall be available for inspection by shareholders.

Except as otherwise provided for by the securities regulatory authorities of the jurisdiction in which the Bank's shares are listed, the aforementioned documents shall be served by mail to the shareholders of overseas-listed foreign shares.

Article 301 For a merger of the Bank, the parties to the merger shall sign a merger agreement, and shall prepare a balance sheet and assets list. The Bank shall inform creditors within ten days from the date on which the resolution in favor of the merger is adopted, and shall publish an announcement in the newspaper within thirty days. The creditors shall, within thirty days of the day on which a notice is received, and, in the case where no notice is received, within forty-five days, request that the Bank repays its debts or provide a corresponding guarantee for repayment.

Article 302 After the merger of the Bank, the entity surviving the merger or the new entity established after the merger shall assume the claims and debts of the parties to the merger.

Article 303 Where the Bank proceeds into a division, its assets shall be divided accordingly.

Where there is a division of the Bank, the parties to the division shall prepare a balance sheet and assets list. The Bank shall inform the creditors within ten days from the date on which a resolution is adopted in favor of the division, and shall publish an announcement in the newspaper within thirty days.

Article 304 The entity established after division shall assume joint and several liability for the debts incurred by the Bank before division, unless otherwise stipulated in any settlement agreement of debts which may be reached between the Bank and its creditors prior to the division.

Article 305 The Bank shall prepare a balance sheet and assets list when it intends to reduce its registered capital.

The Bank shall inform the creditors within ten days from the date on which the resolution in favor of the reduction of registered capital is adopted, and shall publish an announcement in the newspaper within thirty days. The creditors shall, within thirty days of the day on which a notice is received, and, in the case where no notice is received, within forty-five days, request that the Bank repays its debts or provide a corresponding guarantee for repayment.

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

Article 306 Where a merger or division of the Bank involves any changes to the registered matters, an application for modification of registration shall be made to the company registration authority in accordance with the law; if the Bank is dissolved, cancellation of registration of the Bank shall be carried out in accordance with the law; where a new company is established, the registration of the incorporation of the company shall be carried out in accordance with the law.

For an increase or a reduction of the registered capital of the Bank, an application for modification of registration shall be made to the company registration authority in accordance with the law.

Section 2 Takeover, Dissolution and Liquidation

Article 307 The Bank shall be taken over by the banking regulatory authorities in accordance with the Commercial Banking Law and other relevant laws and regulations when there is, or is likely to be, a credit crisis which may materially impact the interests of depositors.

The Bank shall abide by such takeover.

Article 308 In any of the following circumstances, the Bank may be dissolved:

- (1) if the shareholders' general meeting resolves and the regulatory authorities concerned approve to do so;
- (2) if a dissolution is necessary as a result of a merger or division of the Bank;
- (3) if the business license of the Bank is revoked or if it is ordered to close down its business or if its business license is canceled in accordance with the law;
- (4) where the operation and management of the Bank falls into serious difficulties and its continued existence would cause heavy losses to shareholders, the shareholders holding more than one tenth of the total voting rights of the Bank may apply to a court to dissolve the Bank if there are no other solutions; and
- (5) the Bank is declared bankrupt by a court in accordance with the law.

Article 309 Where the Bank is dissolved pursuant to items (1), (3), (4) or (5) of Article 307, a liquidation committee shall be established to begin liquidation within fifteen days from the date of occurrence of grounds for dissolution. The members of the liquidation committee shall be determined by the directors or the shareholders' general meeting. Where a liquidation committee is not established as scheduled, the creditors may apply to a court to appoint relevant persons to form a liquidation committee to carry out liquidation.

Where the Bank is dissolved pursuant to item (5) of the preceding Article, liquidation shall be conducted by a court in accordance with the relevant laws.

Article 310 If the Board of Directors decides that the Bank shall be liquidated (except for liquidation resulting from the Bank's declaration of bankruptcy), it shall state in the notice of shareholders' general meeting convened for such purpose that the Board of Directors has conducted a comprehensive investigation into the situation of the Bank and believes that the Bank is able to pay off all its debts within twelve months following the commencement of the liquidation.

After the shareholders' general meeting adopts a resolution in favor of the liquidation, the functions and powers of the Board of Directors shall be terminated immediately.

The liquidation committee shall follow the instructions of the shareholders' general meetings and shall report to the shareholders' general meeting at least once a year on the income and expenditure of the liquidation committee, the business of the Bank and the progress of the liquidation, and shall make a final report to the shareholders' general meeting at the end of the liquidation.

Article 311 The liquidation committee shall exercise the following functions and powers during the period of liquidation:

- (1) to liquidate the assets of the Bank and prepare a balance sheet and assets list respectively;
- (2) to inform creditors by notices or public announcements;
- (3) to deal with any unsettled business of the Bank that relates to the liquidation;
- (4) to pay off any outstanding taxes and any taxes arising in the course of liquidation;
- (5) to clear up claims and debts;
- (6) to handle the Bank's remaining assets after all debts are paid off; and
- (7) to participate in civil litigation on behalf of the Bank.

Article 312 The liquidation committee shall notify creditors within ten days from the date of its establishment, and shall publish an announcement in the newspaper within sixty days. The creditors shall make their claims to the liquidation committee within thirty days from the date of receipt of the notice or, within forty-five days from the date of the first public announcement for those who have not received the notice.

When making a claim, creditors shall explain the matters related to their claim and provide relevant evidence of such claims. Claims shall be registered by the liquidation committee.

The liquidation committee shall not settle any debt with any creditors during the period allowed for creditors to make a claim.

Article 313 After the liquidation of the Bank's assets by the liquidation committee and the preparation of a balance sheet and assets list, the liquidation committee shall formulate a liquidation plan and submit it to the shareholders' general meeting or to the relevant competent authorities for confirmation.

The Bank's assets shall be liquidated in the following order:

- (1) to pay the liquidation costs;
- (2) to pay employees' salaries, social insurance and statutory compensation;
- (3) to pay the principal and legal interest of personal savings deposits;
- (4) to pay all outstanding taxes;
- (5) to settle the Bank's debts; and
- (6) to distribute to shareholders according to their classes of shares and proportion of shares being held.

During the liquidation, the Bank shall continue to exist, but shall not carry on any business activities which do not relate to the liquidation. The assets of the Bank shall not be distributed to shareholders before it is used for settlement in accordance with the provisions of the preceding paragraph.

Article 314 During the liquidation of the Bank's assets by the liquidation committee, and after preparing a balance sheet and assets list, if the liquidation committee finds the assets of the Bank to be insufficient for the settlement of its debts, the liquidation committee shall apply to the court for a declaration of bankruptcy. After a ruling is made by the court that the Bank be declared bankrupt, the liquidation committee shall hand over its liquidation work to the court in accordance with the law.

Article 315 Following the completion of the liquidation, the liquidation committee shall prepare a liquidation report, income and expenditure statement and financial books of accounts in respect of the liquidation period, and upon verification by a certified public accountant of the People's Republic of China, submit the documents mentioned above to the company registration authority, apply for cancellation of the Bank's registration and make an announcement of the closure of the Bank within thirty days of submission the same to the shareholders' general meeting or the relevant competent authorities for confirmation.

Article 316 Members of the liquidation committee shall faithfully perform their duties and perform the liquidation obligations in accordance with the law.

Members of the liquidation committee shall not accept any bribes or other illegal income by abusing their authority and shall not misappropriate the assets of the Bank.

Members of the liquidation committee shall be liable for damages and losses if the Bank or creditors incur losses as a result of the deliberate or gross negligence of the members of the liquidation committee.

Chapter 12 Amendments to these Articles of Association

Article 317 The Bank may amend these Articles in accordance with the laws, administrative regulations and the provisions of these Articles.

The Bank shall amend these Articles if any of the following circumstances occur:

- (1) If, after the Company Law, the Banking Supervision and Regulatory Law, the Commercial Banking Law, the Listing Rules or the relevant laws and administrative regulations are amended, any term contained in these Articles becomes inconsistent with the provisions of the amended laws and administrative regulations;
- (2) If a change in the Bank's circumstances results in inconsistency with certain terms specified in these Articles; and
- (3) If the Board of Directors submits to the shareholders' general meeting for amending these Articles as and when it considers necessary in view of the Bank's need.

Article 318 The proposal for any amendments to be made to these Articles shall be put forward by the Board of Directors, voted through at the shareholders' general meeting and submitted to the banking regulatory authorities for approval. The changes shall be registered in accordance with the law.

Chapter 13 Dispute Resolution

Article 319 The Bank shall abide by the following rules for dispute resolution:

- (1) If any disputes or claims in relation to the Bank's business, with respect to any rights or obligations under these Articles, Company Law or any other relevant laws and administrative regulations, arise between shareholders of overseas-listed foreign shares and the Bank, between shareholders of overseas-listed foreign shares and the Bank's directors, supervisors or senior management officers of the Bank, or between shareholders of overseas-listed foreign shares and other shareholders, the parties concerned shall submit such disputes or claims to arbitration. Where the competent securities authorities fail to reach an understanding or agreement with the relevant overseas securities regulatory authorities in respect of the settlement of disputes, the parties concerned may settle such disputes by the means specified by the laws, administrative regulations and as agreed by both parties.

When the aforementioned disputes or claims are submitted to arbitration, such disputes or claims shall be submitted in their entirety, and all persons (being the Bank, the Bank's shareholders, directors, supervisors or senior management officers of the Bank) that have a cause of action based on the same grounds or the persons whose participation is necessary for the resolution of such disputes or claims, shall comply with the arbitration.

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

- (2) An applicant may choose for the arbitration to be arbitrated either by the China International Economic and Trade Arbitration Commission in accordance with its arbitration rules or the Hong Kong International Arbitration Centre in accordance with its securities arbitration rules. Once a claimant submits a dispute or claim to arbitration, the other party must carry out the arbitration at the arbitration institution selected by the claimant.

If an applicant opts for arbitration by the Hong Kong International Arbitration Centre, either party may request for the arbitration to be conducted in Shenzhen in accordance with the securities arbitration rules of the Hong Kong International Arbitration Centre.

- (3) Unless otherwise provided by the laws, administrative regulations, departmental rules or regulatory documents, the laws of the People's Republic of China shall apply to the settlement of any disputes or claims that are resolved by arbitration pursuant to item (1) above.
- (4) The award of the arbitration institution shall be final and binding on all parties.

Chapter 14 Supplemental Provisions

Article 320 Interpretation:

- (1) The controlling shareholder(s) 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 or control the exercise of more than 30% of the total voting shares of the Bank when acting alone or in concert with others;
 - (iii) the person holds more than 30% of the total issued and outstanding shares of the Bank when acting alone or in concert with others; and
 - (iv) the person may de facto control the Bank in any other manner when acting alone or in concert with others.

The term “acting in concert” herein means two or more persons who, by way of agreement, cooperation or related party relationships or other lawful means, enlarge the proportion of the shares in the Bank which are under their control or consolidate their control over the Bank, so that when exercising the voting rights of the Bank, the same expression of opinions will be made (including joint proposal of motions, joint nomination of directors, entrustment of the exercise of voting rights which do not state voting intention and other such situations, but excluding open proxy solicitation).

- (2) De facto controller means a person who, though not a shareholder of the Bank, is able to get the de facto control of the Bank through investment relationships, agreement or other arrangements.
- (3) Substantial shareholders means the shareholder who can directly, indirectly, or jointly hold or control more than 5% of the shares or voting rights of the Bank and have a significant impact upon the decision-making of the Bank.
- (4) Related party relation means the relation between the controlling shareholder, actual controller, directors, supervisors, senior management officers of the Bank and the enterprise that they control directly or indirectly, and other relation that may cause the transfer of interest of the Bank. However, the relation between fellow State-controlled enterprises shall not be deemed as related party relation merely because they are both controlled by the State.
- (5) Non-standard audit opinions mean other audit reports other than standard audit reports, including audit reports with an emphasis of matter but without qualification and audit reports with non-unqualified opinions. Audit reports with non-unqualified opinions include audit reports with qualified opinions, audit reports with adverse opinions and audit reports with disclaimer of opinion.
- (6) The banking regulatory authority means the China Banking Regulatory Commission or its local offices.

Article 321 These Articles are written in Chinese. Should there be any inconsistency between these Articles written in another language or provided in other versions, the latest Chinese version approved and registered by the Administration for Industry and Commerce shall prevail.

Article 322 References to “above”, “within” and “below” in these Articles shall include the actual given figures, while references to “less than”, “beyond”, “under” and “exceed” shall exclude such actual given figures.

Article 323 References to “director” in these Articles, unless the context states or requires otherwise, shall include all members of the Board of Directors serving as chairman, vice-chairman, independent director, other director and so on. References to “supervisor” in these Articles, unless the context states or requires otherwise, shall include all members of the Board of Supervisors serving as chairman, external supervisor, other supervisor and so on.

Article 324 References to “accounting firm” in these Articles shall bear the same meaning as the “auditor” under the Listing Rules.

Article 325 These Articles shall be construed by the Board of Directors of the Bank.

Article 326 After approval by the banking regulatory authority and after consideration and approval by the shareholders’ general meeting, these Articles shall become effective from the trading date of the H-shares of the Bank publicly offered on the Hong Kong Stock Exchange.