

Articles of Association of Harbin Bank Co., Ltd.

Harbin, China

Amended at the 2013 Annual General Meeting of Shareholders on 19 June 2014

Chapter I General Provisions

Article 1 Harbin Bank Co., Ltd. (hereinafter referred to as the “Company”) is a joint-stock limited liability company established in accordance with the *Company Law of the People’s Republic of China* (hereinafter referred to as the “*Company Law*”) and other relevant laws and administrative regulations of the PRC.

Article 2 For the purposes of maintaining the legitimate rights and interests of the Company, its shareholders and creditors, and of standardizing the organization and behaviour of the Company, the Articles of Association is hereby formulated in combination with the actual circumstance of the Company and according to the *Company Law*, the *Securities Law of the People’s Republic of China* (hereinafter referred to as the “*Securities Law*”), the *Law of the People’s Republic of China on Commercial Banks* (hereinafter referred to as the “*Commercial Banking Law*”), the *Guidelines on Articles of Association for Listed Companies* (as amended in 2006), the *Prerequisite Clauses for Articles of Association of Companies to Be Listed Overseas*, the *Special Provisions of the State Council on the Offering and Listing of Shares Overseas by Joint Stock Limited Companies* and other relevant laws, administrative regulations, departmental rules and relevant regulations by securities regulatory authorities of the jurisdiction where the Company’s shares are listed.

Article 3 The Company is a joint-stock commercial bank established by means of promotion in accordance with the *Company Law*, the *Commercial Banking Law* and other relevant laws and regulations, and upon approval of the *Reply on Harbin’s Carrying out the Formation of Urban Cooperative Commercial Banks* (Y.F. No. [1995]363), the *Approval on Establishing Harbin Urban Cooperative Banks* (Y.F. No. [1997]423) and the *Approval on the Opening of Harbin Urban Cooperative Banks* (Y.F. No. [1997]69) issued by the People's Bank of China and the *Approval on the Opening of Harbin Urban Cooperative Banks by the People's Bank of China Harbin Branch* (Y.H.Y.Z. [1997] No. 66) issued by the People's Bank of China Harbin Branch. It was registered with the Municipal Administration for Industry and Commerce of Harbin on 25 July 1997, and obtained the *Business License for an Enterprise as a Legal Person* on the same day (Registration No.: 12759211-1).

Article 4 Promoters of the Company are Harbin Economic Development and Investment Company and other 154 institutions with legal person status as well as 4,756 natural persons.

Article 5 Registered name of the Company:

Chinese name: 哈尔滨银行股份有限公司, in short form: 哈尔滨银行.

English name: HARBIN BANK CO., LTD, in short form: HARBIN BANK

Article 6 The domicile of the Company: No.160, Shangzhi Street, Daoli District, Harbin City; postal code: 150010; Tel: (86) 0451-86779977; Fax number: (86) 0451-86779888.

Article 7 The Company is a joint stock limited company of permanent existence.

Article 8 The Chairman of the Board of Directors shall be the legal representative of the Company.

Article 9 The total asset of the Company shall be divided into shares of equal value. The respective liability of the shareholders of the Company shall be limited to the shares held by them. The Company shall be held liable for its debts with all its assets.

Article 10 Upon approval by the shareholders’ general meeting of the Company and by the Banking Regulatory Authority of the State Council, the Articles of Association of the Company shall come into force from the day when the foreign shares issued by the Company for overseas listing are listed on the Stock Exchange of Hong Kong Co., Ltd. (hereinafter referred to as the “Stock Exchange of Hong Kong”). From the date that the Articles of Association takes effect, the original Articles of Association of the Company shall automatically lose effectiveness. From the

effective date, the Articles of Association shall become a legally binding document that regulates the organization and behaviours of the Company, the rights and obligations relationship between the Company and its shareholders and among the shareholders.

Article 11 The Articles of Association shall be binding upon the Company, its shareholders, directors, supervisors, president and other senior management personnel, all of whom are entitled to claim their rights in relation to the Company's affairs in accordance with the Articles of Association.

In accordance with the Articles of Association, shareholders shall have the right to take legal proceedings against the Company; the Company shall have the right to take legal proceedings against shareholders; shareholders shall have the right to take legal proceedings against other shareholders; and shareholders shall have the right to take legal proceedings against directors, supervisors, president and other of the Company.

The "legal proceedings" referred to in the preceding paragraph shall include filing suits to a court or applying for arbitration to an arbitration organization.

Article 12 Other under the Articles of Association shall refer to the vice presidents, assistants to the president, the chief financial officer, secretary to the Board and other members determined by the Board of the Company.

Article 13 Based on the need of business development and subject to approval by the banking regulatory authority of the State Council, the Company may set up branches in domestic and overseas in conformity to the stipulations of laws and regulations of China or other relevant countries.

Article 14 Subject to approval by the banking regulatory authority of the State Council, the Company may invest in other limited liability companies and joint stock limited companies in accordance with the laws, and shall assume responsibilities to the invested corporation with limitation to its capital contribution.

The Company implements management system of first-grade legal person and hierarchical grades of operations. The Head Office shall carry out management mode of unified accounting, unified capital allocation, unified management and classified assessment for its branch offices.

Article 15 The Company shall accept supervision and administration of the banking regulatory authority of the State Council and other regulatory authorities in accordance with laws.

Chapter II Purpose and Scope of Business

Article 16 The purpose of the Company is: to operate prudently in accordance with laws, regulations and financial policies of the State; and to provide comprehensive financial services for the development of economic and social undertakings of the country based on the local situations; and to create the maximum value for shareholders on the basis of achieving the sustainable development of the Company with the guidance of Scientific Outlook on Development and the idea of "universally benefiting finance, achieving harmonious and common prosperity".

Article 17 The scope of business of the Company, as registered in accordance with the laws, covers:

- (1) Absorbing public deposits;
- (2) Issuing short-term, medium-term and long-term loans;
- (3) Handling the domestic and international settlement;

- (4) Handling the acceptance and discount of bill;
- (5) Issuing financial bonds;
- (6) Proxy for issuing, cashing, and underwriting government bonds;
- (7) Transaction of government bonds and financial bonds;
- (8) Interbank borrowing;
- (9) Foreign exchange transactions of self-operation or on behalf of customers;
- (10) Bank card business;
- (11) Provision of L/C service and guarantee;
- (12) Collection and payment proxy services and proxy for insurance by-business;
- (13) Provision of safety-deposit box service;
- (14) Handling entrusted loan business of local financial working funds;
- (15) Foreign exchange deposit;
- (16) Foreign exchange loans;
- (17) Foreign exchange remittance;
- (18) Foreign currency exchange;
- (19) Interbank foreign exchange borrowing;
- (20) Credit investigation, consulting and attestation business;
- (21) Business of settlement and sale of exchange; and
- (22) Other businesses approved by the banking regulatory authority of the State Council and other regulatory authorities.

Chapter III Shares and Registered Capital

Section I Issuance of Shares

Article 18 The shares of the Company shall be in the form of stock. All shares issued by the Company shall be ordinary shares. Subject to approval of the approval authorities authorised by the State Council, the Company may have other kinds of shares according to its needs.

Article 19 The issuance of shares shall comply with the principle of openness, fairness and impartiality, and each share of the same category shall have equal rights.

Shares of the same category issued at the same time shall be issued on the same conditions and at the same price. All entities and individuals shall pay the same price for each share of the same category they subscribe for.

Article 20 All the shares issued by the Company shall have a par value which shall be RMB1.00 for each share.

Article 21 Subject to the examination and approval of the banking regulatory authority and the securities regulatory authority of the State Council, the Company may issue shares to domestic and foreign investors.

For the purposes of the preceding paragraph, the term “foreign investors” shall refer to investors from foreign countries or from Hong Kong Special Administrative Region, Macau Special Administrative Region or Taiwan that subscribe for shares issued by the Company; and the term “domestic investors” shall refer to investors within the People’s Republic of China, excluding the above-mentioned regions, that subscribe for shares issued by the Company.

Article 22 Shares issued by the Company to domestic investors for subscription in Renminbi shall be referred to as domestic shares. Shares issued by the Company to overseas investors for subscription in foreign currency shall be referred to as foreign shares. Foreign shares which are listed outside the PRC shall be referred to as foreign shares listed overseas.

The “foreign currency” referred to in the preceding paragraph is a legal currency (other than Renminbi) of other countries or regions which is recognised by the foreign exchange administration authority of the State and can be used for subscription payment of the Company’s shares.

Foreign shares listed overseas (H shares) issued by the Company and listed in Hong Kong shall refer to shares listed in the Stock Exchange of Hong Kong upon approval, the par value of stock of which is indicated by Renminbi and the subscription and transaction of which is made by Hong Kong dollars.

Subject to the permission of relevant laws, administrative regulations and departmental rules and the approval of the securities regulatory authority of the State Council, shareholders of the domestic shares may list shares held by them on overseas market for transactions. The listing of such shares for transactions on overseas securities exchanges shall also abide by the regulatory procedures, regulations and requirements of the overseas securities market but no approval is required from category shareholders' meeting.

Article 23 Domestic shares issued by the Company shall be collectively deposited China Securities Depository & Clearing Co., Ltd. Foreign shares listed overseas issued by the Company may be kept by trustee escrow companies in accordance with laws and requirements of securities registration and depository of the place where the Company’s shares are listed, or may also be held by shareholders in their own name.

Article 24 With the approval of authorities authorised by the State Council, the Company issued 221,932,900 shares (domestic shares) upon establishment, which accounted for 100% of the total amount of the ordinary shares issued by the Company at that time.

With the approval of the securities regulatory authority of the State Council, the Company may issue 2,748,700,000 shares of foreign shares listed overseas (H shares), which accounts for around 25.00% of the total amount of ordinary shares the Company may issue.

With the approval of authorities authorised by the State Council, after the Company issues the foreign shares listed overseas (H shares) (and after the over-allotment option is implemented), a total of 274,870,000 domestic shares are converted into foreign shares listed overseas (H shares).

Article 25 As of 31 March 2014, the share capital structure of the Company is as follow: a total of

10,995,599,553 ordinary shares have been issued, of which 7,972,029,553 domestic shares have been issued, representing approximately 72.50% of the entire ordinary shares the Company may issue; and 3,023,570,000 H shares have been issued, representing approximately 27.50% of the entire ordinary shares the Company may issue.

The above-mentioned share capital includes shares rationed, presented and increased over the years by the Company As of 31 March 2014.

Article 26 After the Company's plan of issuing of overseas listed shares and domestic shares being approved by the securities regulatory authority of the State Council, the Board of the Company may make implementation arrangements for such plan by means of separate issuance.

The Company's plan of separate issuance of overseas listed shares and domestic shares pursuant to the preceding paragraph may be implemented respectively within fifteen (15) months from the date of approval by the securities regulatory authority of the State Council.

Article 27 Where the Company issues foreign overseas listed shares and domestic shares respectively within the total number of shares defined in the issuance plan, the respective shares shall be subscribed for in full at one time. If they cannot be subscribed for in full at one time under special circumstances, these shares may be issued in several stages subject to the approval of the securities regulatory authority of the State Council.

Article 28 The Company's registered capital shall be RMB 8, 246,899,553.

Section II Increase and Reduction of Shares and Their Redemption

Article 29 The Company may, based on its demands of operation and business development and in accordance with the relevant laws and regulations and subject to the resolutions approved by the general meeting as well as approval by the banking regulatory authority of the State Council, approve an increase of capital in the following ways:

- (1) public offering of new shares to non-specific investors;
- (2) placing new shares to its existing shareholders;
- (3) allotting new shares to its existing shareholders;
- (4) capitalizing its capital reserve;
- (5) any other means which is permitted by the laws, administrative regulations and approved by the regulatory authorities.

The Company's increase of capital by issuing new shares shall, after being approved in accordance with the provisions of the Articles of Association, be conducted in accordance with the procedures stipulated by relevant laws and administrative regulations of the State.

Article 30 In accordance with the provisions of the Articles of Association, the Company may reduce its registered capital. The Company's reduction of its registered capital shall be approved by the banking regulatory authority of the State Council and shall follow procedures set out in the *Company Law*, the *Commercial Banking Law* and the Articles of Association and other relevant regulations.

Article 31 The Company must prepare a balance sheet and an inventory of assets when it to reduce its registered capital.

The Company shall notify its creditors within ten (10) days from the date of adoption of the Company's resolution on reduction of registered capital and shall publish an announcement in the newspaper within thirty (30) days from the date of such resolution. A creditor shall, within thirty

(30) days of receiving the notice from the Company or, or within forty-five (45) days since the date of the first public announcement for those who have not received the notice, be entitled to require the Company to repay its debts in full or provide a corresponding guarantee for such debts.

The registered share capital of the Company following the reduction of capital shall not fall below the minimum statutory requirement.

Article 32 The Company may, in accordance with stipulations of laws, administrative regulations, departmental rules and the Articles of Association, repurchase its outstanding shares under the following circumstances:

- (1) reducing its registered capital;
- (2) merging with another company that holds shares of the Company;
- (3) granting shares to the Company's employees as a reward;
- (4) acquiring shares held by shareholders who vote against any resolution proposed in any general meeting on the merger or division of the Company upon their request;
- (5) other circumstances as permitted by laws and administrative regulations.

The Company shall not engage in the trading of its shares save for the circumstances specified above.

Article 33 The Company may, with the examination and approval of relevant regulatory authorities, repurchase its shares in one of the following manners:

- (1) to make a repurchase offer pro rata to all of its shareholders;
- (2) to repurchase shares through open transaction at a stock exchange;
- (3) to repurchase shares through agreement outside a securities exchange;
- (4) other means as permitted by the laws, administrative regulations and the regulatory authorities.

Article 34 Where the Company repurchases its shares through agreement outside a securities exchange, it shall seek prior approval of the shareholders' general meeting in accordance with the Articles of Association. Upon the prior approval by the shareholders' general meeting obtained in the same manner, the Company may rescind or change a contract so entered into by the Company or waive any of its rights thereunder shareholders' general meeting.

The contract to repurchase shares as referred to in the preceding paragraph includes, but not limited to, agreements whereby redemption obligations are undertaken and redemption rights are acquired.

The Company shall not assign a contract for repurchasing its shares or any of its rights thereunder.

Where the Company has the right to repurchase redeemable shares, repurchases not made through the market or by tender shall be limited to a maximum price; if repurchases are made by tender, invitation for tenders shall be made to all shareholders alike.

Article 35 Shares repurchased in accordance with the laws by the Company shall be cancelled within the period prescribed by laws and administrative regulations, and the Company shall apply to the original company registration authority for registration of the change of its registered capital.

The amount of the Company's registered share capital shall be reduced by the aggregate par value of those cancelled shares.

Article 36 Unless the Company is in the course of liquidation, it must comply with the following provisions in respect of repurchase of its outstanding shares:

- (1) Where the Company repurchases its shares at par value, payment shall be deducted from

the book balance of the distributable profits of the Company and the proceeds of a fresh issuance of shares made for that purpose;

(2) Where the Company repurchases its shares at a premium over their par value, the portion corresponding to the par value shall be made out of the book balance of distributable profits of the Company and the proceeds of a fresh issuance of shares made for that purpose. Payment of the portion in excess of the par value shall be effected as follows:

1. If the shares repurchased were issued at par value, payment shall be made out of the book balance of the distributable profits of the Company;

2. If the shares repurchased were issued at a premium over their par value, payment shall be made out of the book balance of the distributable profits of the Company and the proceeds of a fresh issue of shares made for that purpose; However, the amount deducted from the proceeds of the fresh issuance of shares shall not exceed the aggregate of premiums received by the Company from the original shares issuance, nor exceed the balance of the Company's capital reserve account (including the premiums on the fresh issuance of shares);

(3) Payment by the Company for the following purposes shall be paid from the Company's distributable profits:

1. obtaining rights to repurchase shares of the Company;

2. modifying of any contract for repurchasing shares of the Company;

3. release of its obligation under any contract for repurchasing its shares;

(4) After the Company's registered capital has been reduced by the total par value of the cancelled shares in accordance with the relevant provisions, the amount deducted from the distributable profits of the Company for payment of the par value portion of the shares repurchased shall be transferred to the Company's capital reserve account.

Section III Transfer of Shares

Article 37 Unless otherwise provided by the laws, administrative regulations, departmental rules, laws of the locality where the Company's shares are listed and relevant requirements of the Stock Exchange of Hong Kong, the shares of the Company may be transferred freely without any lien being attached.

Article 38 Foreign shares listed overseas (H shares) listed on the Hong Kong Stock Exchange which was fully paid can be transferred freely pursuant to the Articles of Association. However, unless the transfer complies with the following conditions, the Board may refuse to recognise any transfer documents without stating any reasons therefor:

(1) any transfer documents and other documents relating to or affecting the title to any shares shall be registered and the fee levied pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited shall be paid to the Company;

(2) the transfer documents only involve the foreign shares listed overseas (H shares) listed on the Hong Kong Stock Exchange;

(3) the stamp duty payable on the transfer documents has been paid according to legal requirements of Hong Kong;

(4) relevant share certificate(s) and the evidences certifying the right to transfer shares as reasonably required by the Board shall be provided;

(5) if the share is to be transferred to joint owners, the number of the joint owners shall not exceed four (4);

(6) relevant shares are free from all liens of the Company.

If the Board refuses to register the transfer of shares, the Company shall deliver a notification related to the refusal of transfer of shares to the transferor and transferee within two (2) months from the date of the formal application for transferring the shares.

Article 39 Shareholders of foreign shares listed overseas (H shares) listed in Hong Kong shall transfer all or part of the shares by an instrument in writing in any usual or common form or any other form which the Board may approve or standard transfer form specified by the stock exchange in the place where the Company's shares are listed. The instrument of transfer of the share shall be executed by hand. If the transferor or transferee is a recognised clearing institution as defined in the *Securities and Futures Ordinance of Hong Kong* or its agent, the share transfer form may be executed by hand or in mechanically-printed form. All instruments of transfer shall be placed at the legal address of the Company or other places that the Board may designate.

Article 40 The Company shall not accept any shares of the Company as the subject of a pledge.

Article 41 The total capital of the Company held by the transferee and related parties in the share transfer of the Company shall not exceed the maximum statutory limit stipulated by the banking regulatory authority of the State Council. Acquisition and change of stock rights of the Company shall be implemented in accordance with the banking regulatory authority of the State Council.

Section IV Financial Assistance for Acquisition of the Company's Shares

Article 42 The Company (including branches of the Company) or its subsidiaries shall not, by any means including bestowal, underwriting, guarantee, compensation or loans and at any time, provide any kind of financial assistance to a person who is acquiring or is proposing to acquire shares of the Company. The aforesaid acquirer of shares of the Company includes a person who directly or indirectly assumes any obligations due to the acquisition of shares of the Company.

The Company (including the branches of the Company) or its subsidiaries shall not, by any means and at any time, provide financial assistance to the aforesaid acquirer for the purpose of reducing or discharging the obligations assumed by that person.

This provision does not apply to the circumstances stated in Article 44 of the Articles of Association.

Article 43 The financial assistance referred to in this section includes (but not limited to) the following means:

- (1) Gift;
- (2) Guarantee (including the assumption of liability by the guarantor or the provision of assets by the guarantor to secure the performance of obligations by the obligor), or compensation (but excluding compensation arising from the Company's own default) or relief or waiver of any rights;
- (3) Provision of loans or any other agreements under which the obligations of the Company are to be fulfilled before the obligations of another party, or a change in the parties to, or the assignment of rights arising under such loans or agreements;
- (4) any other forms of financial assistance given by the Company when the Company is insolvent or has no net assets or when its net assets would be reduced to a material extent.

The expression "assuming an obligation" referred to in this section includes the assumption of obligations by way of contract or the making of an arrangement (whether enforceable or not, and whether made on its own account or with any other persons), or by the changing of the obligor's financial position by any other means.

Article 44 The following activities shall not be deemed to be activities as prohibited under Article 42 of the Articles of Association:

- (1) the provision of financial assistance by the Company where the financial assistance is given in good faith for the interest of the Company, and the principal purpose of provision the financial assistance is not for the acquisition of shares of the Company, or the provision of the financial assistance is an incidental part of certain master plan of the Company;
- (2) the lawful distribution of the Company's assets as dividend;
- (3) distribution of dividends in form of shares;
- (4) a reduction of registered capital, a repurchase of shares or adjustment of the shareholding structure of the Company effected in accordance with the Articles of Association;
- (5) the lending of money by the Company within its scope of operation and in the ordinary course of its business (provided that the net assets of the Company are not thereby reduced or, to the extent that the net assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company);
- (6) The provision of fund by the Company for contributions to employee shareholding schemes (provided that the net assets of the Company are not thereby reduced or that, to the extent that the net assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company).

Chapter IV Share Certificates and Register of Shareholders

Article 45 Shares of the Company shall be in registered form.

The items specified on the share certificates of the Company shall, in addition to those provided in the *Company Law*, contain the following items required to be specified by the stock exchange(s) on which the shares of the Company are listed:

- (1) name of the Company;
- (2) date of establishment of the Company;
- (3) the category of share, par value and number of share it represents;
- (4) the serial number of share;
- (5) other items required to be specified by Company Law and other relevant laws, administrative regulations, departmental rules and stock exchange on which shares of the Company are listed.

If the share capital of the Company includes shares with no voting right, words of "no voting right" shall be added to the name of such shares. If the equity capital includes shares with different voting rights, words of "restricted voting right" or "limited voting right" shall be added to the name of each category of shares (except for shares with the most preferential voting rights).

Article 46 The share certificates shall be signed by the Chairman of the Board. Where the stock exchange on which the shares of the Company are listed requires the share certificates to be signed by the Company's other senior management personnel, the share certificates shall also be signed by other relevant senior management personnel. The share certificates shall take effect after being affixed with the seal of the Company or the seal of the Company in printed form. The share certificates shall only be affixed with the Company's seal under the authorization of the Board. The signatures of the Chairman of the Company or other relevant senior management personnel on the share certificates may also be in printed form.

Article 47 The Company shall keep a register of shareholders which shall contain the following particulars:

- (1) the name, address (domicile), occupation or nature of each shareholder;

- (2) the category and number of shares held by each shareholder;
- (3) the amount paid-up or payable in respect of shares held by each shareholder;
- (4) the serial numbers of the shares held by each shareholder;
- (5) the date on which a person is registered as a shareholder; and
- (6) the date on which a person ceases to be a shareholder.

The register of shareholders shall be the sufficient evidence of the holding of the Company's shares by a shareholder, unless there is evidence to the contrary.

Article 48 The Company may, in accordance with the mutual understanding and agreements made between the securities regulatory authority of the State Council and overseas securities regulatory authorities, maintain its register of shareholders of overseas-listed foreign shares outside the PRC and appoint overseas agent(s) to manage such register. The original register of holders of H shares shall be maintained in Hong Kong.

The Company shall maintain a duplicate of the register of holders of overseas listed foreign shares at the Company's domicile; the appointed overseas agent(s) shall ensure the consistency between the original and the duplicate of the register of holders of overseas-listed foreign shares at all times.

If there is any inconsistency between the original and the duplicate of the register of holders of foreign shares listed overseas, the original shall prevail.

Article 49 The Company shall maintain a complete register of shareholders.

The register of shareholders shall include the following parts:

- (1) the register of shareholders maintained at the Company's domicile, other than those as described in items (2) and (3) of this article;
- (2) the register of shareholders in respect of the holders of overseas-listed foreign shares of the Company maintained at the place where the overseas stock exchange on which the shares are listed is located;
- (3) the register of shareholders maintained at such other places as the Board may consider necessary for the purpose of listing of the Company's shares.

Article 50 Each part of the register of shareholders shall not overlap one another. No transfer of the shares registered in any part of the register shall, during the existence of that registration, be registered in any other part of the register of shareholders.

Changes or corrections of each part of the register of shareholders shall be made in accordance with the laws of the place where that part of the register of shareholders is maintained.

Transfer of shift of shares shall be registered in the stock registration institute appointed by the Company.

The Company shall instruct and urge its share transfer registration agency to refuse the registration of subscription, purchase or transfer of shares in the name of any individual shareholder, unless or until such an individual shareholder submits a signed transfer form of the relevant shares to the share transfer registration agency.

Article 51 Registration of change in the register of shareholders due to shares transfer shall not be allowed within thirty (30) days prior to the date of a general meeting or within five (5) days before the base date set by the Company for the purpose of distribution of dividends.

Article 52 When the Company intends to convene a shareholders' general meeting, distribute dividends, liquidate or engage in other activities that involve determination of shareholdings, the

Board shall decide on a date for the determination of rights attaching to shares in the Company. Shareholders whose names appear in the register of shareholders at the end of the record date are shareholders of the Company.

Article 53 Any person who objects to the register of shareholders and requests to have his name registered in or removed from the register of shareholders may apply to a court of competent jurisdiction for correction of the register.

Article 54 Any shareholder who is registered in, or any person who requests to have his name registered in, the register of shareholders may, if his share certificates (the "original certificates") are lost, stolen or ruined, apply to the Company for a replacement share certificate in respect of such shares (the "relevant shares").

If a holder of domestic shares loses his share certificates and applies for their replacement, it shall be dealt with in accordance with regulations in the Article 144 of the *Company Law*.

If a holder of overseas-listed foreign shares loses his share certificates and applies for their replacements, it may be dealt with in accordance with the laws of the place where the original register of holders of foreign shares listed overseas is maintained, the rules of the stock exchange or other relevant regulations.

The issuance of replacement share certificates which are lost, stolen or ruined to holders of H shares who apply for a replacement shall comply with the following requirements:

(1) The applicant shall submit an application to the Company in prescribed form accompanied by a notarization document or statutory declaration, containing the grounds upon which the application is made and the circumstances and evidence of the loss, steal or ruin of the share certificates as well as the declaration that no other person shall be entitled to request to be registered as the shareholder in respect of the relevant shares.

(2) No declaration has been received by the Company from a person other than the applicant for having his name registered as a holder of the relevant shares before the Company decides to issue the replacement share certificate.

(3) The Company shall, if it decides to issue a replacement new share certificate to the applicant, make an announcement of its intention to issue the replacement new share certificate in such newspapers designated by the Board. The announcement shall be made at least once every thirty (30) days for a period of ninety (90) days.

(4) The Company shall have, prior to the publication of its announcement of intention to issue a replacement certificate, delivered to the stock exchange on which its shares are listed a copy of the announcement to be published. The Company may publish the announcement upon receiving a confirmation from such stock exchange that the announcement has been exhibited at the premises of the stock exchange. The announcement shall be exhibited at the premises of the stock exchange for a period of ninety (90) days.

In case an application to issue a replacement share certificate has been made without the consent of the registered holder of the relevant shares, the Company shall send by post to such registered shareholder a copy of the announcement to be published.

(5) If, upon expiration of the 90-day period referred to in Items (3) and (4) of this article, the Company has not received from any person any objection to such application, the Company may issue a replacement share certificate to the applicant according to his application.

(6) Where the Company issues a replacement share certificate under this article, it shall forthwith cancel the original certificate and register the cancellation and the issuance in the register of shareholders accordingly.

(7) All expenses relating to the cancellation of an original share certificate and the issuance of a replacement share certificate by the Company shall be borne by the applicant. The Company may refuse to take any action until a reasonable guarantee is provided by the applicant for such expenses.

Article 55 Where the Company issues a replacement share certificate pursuant to the Articles of Association, the name of a *bona fide* purchaser who obtains the aforementioned new share certificate or a shareholder who thereafter registers as the owner of such shares (in the case that he/she is a bona fide purchaser) shall not be removed from the register of shareholders.

Article 56 The Company shall not be liable for any loss suffered by any person due to the cancellation of the original certificate or the issuance of the replacement certificate, unless the claimant proves that the Company acted fraudulently.

Chapter V Rights and Obligations of Shareholders

Article 57 A shareholder of the Company is a person who lawfully holds the shares of the Company and whose name is registered in the register of shareholders.

A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class and number of shares he/she holds. Shareholders holding the same class of shares shall be entitled to the same rights and assume the same obligations.

When two or more persons are registered as the joint shareholders of any shares, they shall be regarded as the common owners of such shares and subject to the following terms:

- (1) the Company shall not register more than four (4) persons as the joint shareholders for any shares;
- (2) the joint shareholders of any shares shall assume the joint and several liabilities for all the amounts payable for the relevant shares;
- (3) in case one of the joint holders has deceased, only other living persons of the joint shareholders shall be deemed by the Company to be such persons as having the ownership of the relevant shares. But the Board shall have the right to demand a death certificate of such shareholder which it deems appropriate for the purpose of amending the register of shareholders;
- (4) for joint shareholders of any shares, only the joint shareholder whose name appears first in the register of shareholders is entitled to receive the certificate for the relevant shares, to receive the Company's notices, and to attend and exercise all the voting rights concerning the relevant shares in the general meetings of the Company. Any notice delivered to the aforesaid shareholder shall be deemed to have been delivered to all the joint shareholders of the relevant shares.

Article 58 The ordinary shareholders of the Company shall be entitled to the following rights:

- (1) the right to receive dividends and benefit distributions in other forms in proportion to the number of shares held;
- (2) the right to attend or entrust proxy to attend general meetings and to exercise the corresponding voting right thereat;
- (3) the right to supervise and manage the business activities of the Company and to put forward proposals and raise inquiries;
- (4) the right to transfer shares held by them in accordance with the laws, administrative regulations, rules, the relevant requirements of the securities regulatory authority in the place of listing of the shares of the Company and the provisions of the Articles of Association;

(5) The right to obtain relevant information in accordance with the provisions of the Articles of Association, including:

1. to obtain a copy of the Articles of Association, subject to payment of relevant costs;
2. to inspect free of charge and copy, subject to payment of a reasonable charge:
 - (i) all parts of the register of shareholders;
 - (ii) personal particulars of each of the Company's directors, supervisors, president and other senior management staff, including:
 - a) Present and former name and alias;
 - b) Principal address (domicile);
 - c) Nationality;
 - d) Full-time and all other part-time occupations and duties;
 - e) Identification document and its number.
 - (iii) the status of the Company's share capital;
 - (iv) reports showing the aggregate par value, quantity, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last fiscal year and the aggregate amount incurred by the Company for this purpose;
 - (v) minutes of shareholders' general meeting;
- (6) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the number of shares held;
- (7) with respect to shareholders who vote against any resolution on the merger or division of the Company proposed at the a general meeting, the right to demand the Company to repurchase the shares held by them;
- (8) other rights conferred by laws, administrative regulations, department rules and the Articles of Association.

The Company shall not exercise any right against any person who fails to disclose any of his direct or indirect interest in the Company for the purpose of freezing or otherwise damaging the interest of such person as attached to shares.

Article 59 When the credit extension of a shareholder of the Company is overdue, his/her voting right in the general meeting and voting right of the Board member nominated by him/her in the Board of Directors shall be limited.

Article 60 Shareholders demanding inspection of the relevant information aforesaid in the Article 58 of the Articles of Association or copies of the materials shall provide to the Company the written documents certifying the class and number of shares of the Company they hold. Upon verification of the shareholder's identity, the Company shall provide such information at the shareholder's request.

Shareholders shall keep the commercial secrets of the Company when exercising the aforesaid right to know, properly using the information of the Company. Shareholders who violate the duty of confidentiality and thereby cause damage to the Company shall be liable for such damage.

Article 61 If any resolution made by the general meeting and the Board of Directors of the Company violates the laws and administrative regulations, the shareholders are entitled to apply to the People's Court to affirm it as invalid.

If the convening procedures and voting ways of the general meeting and the Board of Directors violate laws, administrative regulations or the Articles of Association, or the content of resolution is in violation of the Articles of Association, shareholders are entitled to apply to the People's Court for revocation of such resolutions within 60 days upon the date of adopting the resolution.

Where shareholders file lawsuits in accordance with the provisions of the preceding paragraph, the Company can apply to the People's Court for requiring the shareholders to provide corresponding guarantee.

If the change of registration has been made by the Company in accordance with the resolution of the general meeting, after the People's Court announces such a resolution be void or rescinded, the Company shall apply to the Company's registration authority for revocation of the change of registration.

Article 62 If Board members and senior management personnel violate laws, administrative regulations or stipulations of the Articles of Association when performing duties of the Company and thereby cause damage to the Company, shareholders who independently or jointly hold one percent (1%) or more of the shares of the Company for more than one hundred and eighty (180) days are entitled to apply in writing to the Board of Supervisors to file a suit to the People's Court; if the Board of Supervisors violates laws, administrative regulations or stipulations of the Articles of Association when performing duties of the Company thereby causing damage to the Company, shareholders are entitled to apply in writing to the Board of Directors to file a suit to the People's Court.

Where the Board of Directors and the Board of Supervisors refuse to file a suit after receiving the written request of shareholders aforesaid in the preceding paragraph, or don't file a suit within thirty (30) days from the date of receiving the request, or if the suit is not filed immediately, irreparable damage to the benefit of the Company may be caused due to urgent situations, shareholders specified in the preceding paragraph are entitled to directly file a suit to the People's Court in his own name for the benefit of the Company.

If another person infringes upon the legitimate interest of the Company and thereby causes damage to the Company, shareholders specified in the first paragraph may file a suit to the People's Court in accordance with provisions of the first two paragraphs.

Article 63 When the Board members and senior management personnel infringe on legitimate interests of shareholders in violation of laws, administrative regulations or stipulations in this Articles of Association, then the shareholders have the right to file suit to the People's Court.

Article 64 Shareholders of the Company shall perform the following obligations:

- (1) to abide by laws, administrative regulations and the Articles of Association;
- (2) to pay share capital according to the number of shares subscribed and the method of subscription;
- (3) not to withdraw the shares unless required by the laws and regulations;
- (4) not to abuse their shareholders' rights to harm the interests of the Company or other shareholders; and not to abuse the independent legal person status of the Company and the limited liability of shareholders to harm the interests of any creditor of the Company;

(5) shareholders of the Company who abuse their shareholder's rights and thereby cause loss on the Company or other shareholders shall be liable for indemnity according to the law;

(6) where shareholders of the Company abuse the Company's position as an independent legal person and the limited liability of shareholders for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly liable for the debts owed by the Company;

(7) the Company, in strict accordance with relevant regulations of the *Core Indicators for the Risk Regulation of Commercial Banks* and *Guidance for the Stress Test of Commercial Banks* formulated by China Banking Regulatory Commission, defines and determines the state of "liquidity problem" of the Company and carries out the stress test. When liquidity problem of the Company may occur, shareholders who bear loans to the Company shall repay the due or undue loans immediately.

(8) shareholders shall safeguard interests of the Company. Conditions for credit extension to the shareholders by the company shall not be superior to those for other money lenders of the same kind. If shareholders make use of its status as a shareholder to maliciously hinder the legal business activities of the Company or impair interests of the Company, the Company shall be entitled to file a suit to the People's Court to stop such unlawful acts.

(9) credit balance of the same shareholder in the Company shall not exceed 10% of the net capital of the Company; credit extension in the Company of connected enterprises of the shareholder shall be aggregated with that of the shareholders, and it shall not exceed 15% of the net capital of the Company.

(10) when the capital adequacy ratio of the Company is lower than the mandatory standard and the supervision requirement of the China Banking Regulatory Commission, shareholders shall support measures put forward by the Board of Director to improve the capital adequacy ratio.

(11) shareholders shall report to the Board of Directors timely, truly and completely the situations of connected enterprises, the connected relationship with other shareholders, situations of other commercial banks which they hold shares and situations of its related transaction with the Company and other information. Material changes in matters such as the legal representatives, name of the Company, registered address and related parties by the legal person shareholder shall be reported to the Board of Director of the Company timely.

(12) other obligations imposed by laws, administrative regulations and the Articles of Association.

Shareholders are not liable to make any further contribution to the share capital other than as agreed by the subscribers of the relevant shares on subscription.

Article 65 Where a shareholder holding 5% or more voting shares of the Company pledges any domestic shares in his possession, he shall report the pledge to the Company in writing on the day on which he pledges his shares.

Article 66 The controlling shareholder and the actual controller shall not use their connected relationship to act in detriment to the interests of the Company. If they have violated this provision and caused damage to the Company, they shall bear the liability for such damages.

The controlling shareholder and the actual controller of the Company shall have fiduciary duties towards the Company and public shareholders of the company. The controlling shareholder shall exercise its rights as a contributor in strict compliance with the laws. The controlling shareholder shall not do harm to the legitimate interests of the Company and public shareholders of the company through means such as profit distribution, asset restructuring, overseas investment, possession of capital and lending guarantees and shall not make use of its controlling status against the interests of the Company and public shareholders of the company.

Article 67 In addition to obligations imposed by laws, administrative regulations or required by the listing rules of the stock exchange on which shares of the Company are listed, a controlling shareholder shall not exercise his voting rights in respect of the following matters in a manner prejudicial to the interests of all or some of the shareholders of the Company:

- (1) to relieve a director or supervisor of his duty to act honestly in the best interests of the Company;
- (2) to approve the deprivation by a director or supervisor (for his own benefit or for the benefit of another person), by any means, of the Company's assets, including (but not limited to) opportunities beneficial to the Company;
- (3) to approve the deprivation by a director or supervisor (for his own benefit or for the benefit of another person) of the individual rights of other shareholders, including (but not limited to) any rights to distributions and voting rights save for the restructuring of the Company submitted to the general meeting for approval in accordance with the Articles of Association.

Article 68 The term "controlling shareholder" referred to in the preceding Article means a person who satisfies any one of the following conditions:

- (1) a person who, acting alone or in concert with others, has the right to elect more than half of the Board members;
- (2) a person who, acting alone or in concert with others, has the right to exercise or to control the exercise of 30% or more of the voting rights in the Company;
- (3) a person who, acting alone or in concert with others, holds 30% or more of the issued and outstanding shares of the Company;
- (4) a person who, acting alone or in concert with others, has real control of the Company in any other way.

Chapter VI Shareholders' general meeting

Section I General Provisions of Shareholders' general meeting

Article 69 The shareholders' general meeting is the organ of power of the Company which exercises the following functions and powers according to law:

- (1) determining the Company's business policies and investment plans;
- (2) electing and replacing directors, and determining matters concerning remunerations to directors;
- (3) electing and replacing the supervisors not appointed from employee representatives, and determining remunerations to supervisors;
- (4) examining and approving reports of the Board of directors;
- (5) examining and approving reports of the Board of supervisors;
- (6) examining and approving the Company's annual financial budget and final account proposals;
- (7) examining and approving the Company's profit distribution plans and losses making up plans;
- (8) adopting resolutions concerning the increase or decrease of the Company's registered capital;
- (9) adopting resolutions on issuing bonds of the Company;
- (10) make resolution on merger, division, dissolution and liquidation or form change of the Company;

- (11) modifying the Articles of Association;
- (12) adopting resolution on engagement, dismissing or discontinuing the appointment of an accounting firm;
- (13) examining fixed assets investments, external guarantees, external investments, and connected transaction matters which should be submitted to the shareholders' general meeting for examination in accordance with the relevant laws, administrative regulations, departmental regulations, provisions of the securities regulators where the Company's stocks are listed for trading as well as the Company's Articles of Association and other internal system rules;
- (14) examining temporary proposals put forward by the shareholders who hold than 3% of the total voting shares of the Company individually or jointly;
- (15) examining and approving changes in use of the raised capital;
- (16) examining and approving equity incentive plans;
- (17) examining other matters which shall be decided by the shareholders' general meeting according to the laws, administrative regulations, departmental rules, securities regulatory body where the Company's stocks are listed for trading, the Articles of Association, and the Company's other internal rules.

Article 70 Without the prior approval of the shareholders' general meeting, the Company shall not conclude any contract with any person other than a director, president or other senior management personnel of the Company for the delegation of the whole business management or part of the important business management of the Company to that person.

Article 71 The shareholders' general meeting consists of the annual meeting and temporary meetings. The annual meeting shall be held once every year within six (6) months upon conclusion of the previous fiscal year.

Article 72 The Company shall convene an extraordinary shareholders' general meeting within two (2) months since the date of the occurrence of any of the following circumstances:

- (1) The number of directors is less than the statutory minimum number prescribed by the *Company Law* or two thirds (2/3) of the number prescribed in the Articles of Association;
- (2) The Company's loss not made up reaches one third (1/3) of the total paid-in equity;
- (3) Written request has been put forward by the shareholders who have more than ten percent (10%) of the total voting shares of the Company individually or jointly held;
- (4) The Board of directors deems it as necessary;
- (5) The Board of supervisors proposes to convene;
- (6) Other circumstances stipulated by laws, administrative regulations, departmental regulations or the Articles of Association.

The number of shares of the aforesaid Item (3) shall be calculated as of the date when shareholders put forward a written request.

Article 73 The location for the Company to convene a shareholders' general meeting shall be the Company's domicile or other places specified in the notice of the shareholders' general meeting.

The shareholders' general meeting will set up an assembly room and be held in the form of live

meeting. The Company may also provide network or other means for the convenience of shareholders to attend the general meeting according to the relevant provisions. Shareholders attend the general meeting through the aforesaid means shall be considered as present.

Section II Convening of Shareholders' General Meeting

Article 74 More than half of and no less than two (2) independent directors shall have the right to propose for an extraordinary general meeting of shareholders to the board of directors. The board of directors shall give a written reply on agreeing or disagreeing to convene an extraordinary general meeting of shareholders according to the provisions of the laws, administrative regulations and the Articles of Association within 10 days after receiving a proposal put forward by independent directors on convening an extraordinary general meeting of shareholders.

The board of directors will issue a notice to convene a shareholders' general meeting within 5 days after making the resolution where it agrees to convene an extraordinary general meeting of shareholders; where the board of directors disagree to convene a shareholders' general meeting, it shall explain the reasons and make a public notice.

Article 75 The board of supervisors shall have the right to propose for an extraordinary general meeting of shareholders to the board of directors, and shall put forward its proposal to the board of directors in written form. The board of directors shall give a written reply on whether to agree or disagree to convene an extraordinary general meeting of shareholders according to the provisions of the laws, administrative regulations and the Articles of Association within 10 days after receiving the proposal.

The board of directors will issue a notice to convene a shareholders' general meeting within 5 days after making the resolution where it agrees to convene an extraordinary general meeting of shareholders, any changes made to the original proposal in the notice shall obtain consents of the board of supervisors.

Where the board of directors disagrees to convene an extraordinary general meeting of shareholders or fails to give a feedback after receiving the proposal within 10 days, the board of directors shall be regarded as unable to perform or fail to perform its duty to convene a shareholders' general meeting, the board of supervisors can convene and preside over a shareholders' general meeting on its own initiative.

Article 76 The following procedures shall be followed where shareholders require to convene an extraordinary general meeting of shareholders or a classified shareholder meeting:

(1)The shareholders that solely or collectively hold ten percent (10%) or more shares of the Company can sign one or several written requests in the same form and contents to submit to the board of directors to require the latter to convene an extraordinary general meeting of shareholders or a classified shareholders' meeting and explain the subject of the meeting. The board of directors shall give a written reply on agreeing or disagreeing to

convene an extraordinary general meeting of shareholders or a classified shareholders' meeting within 10 days upon receipt of the request in accordance with the laws, administrative regulations and the Articles of Association;

(2) Where the board of directors agrees to hold an extraordinary general meeting of shareholders or a classified shareholders meeting, it shall send out a notice within 5 days after the resolution of the board of directors is made, any changes made to the original proposal in the notices shall obtain the consent of the relevant shareholders;

(3) Where the board of directors does not agree to hold an extraordinary general meeting of shareholders or classified shareholders' meeting or fails to give a reply within ten (10) days upon receipt of the proposal, the shareholders that solely or collectively hold ten percent (10%) or more shares of the Company shall have the right to propose the board of supervisors to hold an extraordinary general meeting of shareholders, and shall put forward the request to the board of supervisors in written form.

(4) Where the board of supervisors agrees to hold an extraordinary general meeting of shareholders or a classified shareholders' meeting, it shall send out a notice within 5 days upon receipt of the request, any changes made to the original proposal in the notices shall obtain the consent of the relevant shareholders;

(5) Where the board of supervisors fails to send out a notice on the extraordinary general meeting of shareholders or classified shareholders meeting within the prescribed time limit, it shall be regarded that the board of supervisors will not convene or preside over the meeting, and the shareholders that solely or collectively hold ten percent (10%) or more shares of the Company for consecutively ninety (90) or more days may hold or preside over the meeting on their own initiatives.

Article 77 Where the board of supervisors or shareholders decide to convene the shareholders' general meeting on its/their own initiative, it/they shall send out a written notice to the board of directors, and shall put on the records of the dispatched office of the securities regulatory authority of the State Council at the locality of the Company, the banking regulatory authority of the State Council and the Stock Exchange where the Company's stocks are listed for trading.

Before the resolution of the shareholders' general meeting is announced, the proportion of shares held by the summoning shareholders shall be no less than ten percent (10%).

The shareholders that convene the meeting shall, when sending out a notice on meeting and circulating an announcement on the resolution of the shareholders' general meeting, submit the relevant certification materials to the securities regulatory authority of the State Council at the locality of the Company and the Stock Exchange where the Company's stocks are listed for trading.

Article 78 In respect to the shareholders' general meeting convened by the board of supervisors or shareholders on its/their own initiative, the board of directors and its secretary shall show cooperation. The board of directors shall provide the register of shareholders on the date of equity registration.

Article 79 The expenses necessary for holding the shareholders' general meeting convened by the board of supervisors or shareholders shall be born by the Company.

Section III Proposal and Notice of the Shareholders' General Meeting

Article 80 The contents of a proposal shall be within the duty of the shareholders' general meeting, have definite topics and specific matters for resolution, and shall be in line with the laws, administrative regulations and the Articles of Association. The proposal shall be submitted or delivered to the board of directors by written form.

Article 81 Where the Company convenes a shareholders' general meeting, the board of directors, the board of supervisors and the shareholders that solely or collectively hold three percent (3%) or more of the shares of the Company may put forward a proposal to the Company.

The shareholders that solely or collectively hold three percent (3%) or more of the shares of the Company may put forward an interim proposal and submit it to the convener in written form within ten (10) days before the meeting is held. The convener shall issue a supplementary notice on the meeting and announce the contents of the interim proposal within two (2) days upon receipt of the aforesaid proposal. If the listing rules state otherwise where the Company's stocks are listed, the contents shall meet the rules as well.

Unless it is prescribed by the preceding paragraph, the convener shall, after sending out a notice on the shareholders' general meeting, not amend the proposal as mentioned in the aforesaid notice or add any new proposal.

The shareholders' general meeting shall not vote on or make a resolution for any proposal that is not listed in the notice on the general meeting of shareholders or that is inconsistent with Article 80 of the Articles of Association.

Article 82 Where the Company shall convene a shareholders' general meeting, the Company shall send out a written notice to all registered shareholders on the matters to be examined as well as the assembly date and location forty-five (45) days before the meeting. Shareholders intend to attend the meeting shall submit their written replies to the Company twenty (20) days before the meeting.

Article 83 The Company shall calculate the number of voting shares represented by the shareholders intending to attend the meeting according to the received written replies twenty (20) days before the shareholders' general meeting. Where the number of voting shares represented by the shareholders intending to attend the meeting reaches more than half (1/2) of the total number of voting shares, the Company can convene a shareholders' general meeting; where it fails, the Company shall inform the shareholders on the matters to be examined, assembly date and location again within five (5) days in the form of public notice, after the notification, the Company can convene a shareholders' general meeting.

An extraordinary general meeting of shareholders may not decide any matters not stated in the

notice.

Article 84 A notice of the shareholders' general meeting shall include the following contents:

- (1) be in writing;
- (2) state the time, venue, duration and form of the meeting;
- (3) state the matters to be considered at the meeting and the proposals;
- (4) provide such information and explanations as are necessary for the shareholders to exercise an informed judgment on the proposals before them; this principle includes (but not limited to) the terms of the proposed transaction must be provided in detail together with the proposed contract (if any), and the cause and effect of such proposal must be properly explained while the Company proposes a merger, repurchase of shares, reorganising the share capital or restructuring the Company in any other way;
- (5) contain a disclosure of the nature and extent of any material interest of a director, supervisor, president or other senior management personnel in the matters for discussion and the effect of interest on his/her capacity as a shareholder insofar as it is different from the interest of the shareholders of the same class;
- (6) contain the full text of any proposed special resolution to be voted at the meeting;
- (7) contain a prominent statement that a shareholder entitled to attend and vote shall be entitled to appoint one or more proxies to attend and vote on his/her behalf and that a proxy need not to be a shareholder;
- (8) specify the time and place for lodging proxy forms for the relevant meeting;
- (9) specify the record date on which the shareholders are eligible to attend the shareholders' general meeting; and
- (10) list the name and the phone number of the permanent contact person of the meeting.

Article 85 In case the shareholders' general meeting plans to discuss the election of directors and supervisors, the notice of the general meeting shall fully disclose the detailed information about the candidates for directors or supervisors.

Except for directors and supervisors who are elected by way of cumulative voting system, a single proposal shall be put forward for each candidate of director and supervisor.

Article 86 Unless otherwise required by relevant laws, regulations, listing rules of place(s) where the Company's shares are listed or the Articles of Association, the notice, information or written statement for the shareholders' general meeting shall be served on the shareholders (whether or not entitled to vote at the general meeting) by special appointed person or prepaid mail, or publication on our website or other methods stipulated in the Articles of Association. The recipient address in the register of shareholders shall prevail. For the holders of domestic shares, the notice of the shareholders' general meeting may be issued in the form of public notice.

The public notice in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authority of the State Council between forty-five (45) to fifty (50) days before the date of the general meeting. After the publication of such notice, the holders of domestic shares shall be deemed to have received the notice of the relevant

shareholders' general meeting.

Article 87 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive the notice shall not invalidate the proceedings at that meeting.

Article 88 After the notice on convening the shareholders' general meeting sent out, the shareholders' general meeting shall not be postponed or cancelled and the proposal listed in the notice on the shareholders' general meeting shall not be cancelled without justifiable causes. In the case of any circumstance for postponement or cancellation of the meeting, the convener shall make an announcement and explain the reasons at least two (2) working days before the date for the planned shareholders' general meeting.

Section IV Holding of the General Meeting of Shareholders

Article 89 The Board of Directors and any other convener shall take necessary measures to guarantee the normal order of the shareholders' general meeting, and shall take measures to deter any act of disturbing the shareholders' general meeting, picking quarrels and provoking troubles or damaging the lawful rights and interests of any shareholder, and shall timely report it to the relevant department for investigation and punishment.

Article 90 Any shareholder entitled to attend and vote at the shareholders' general meeting shall be entitled to appoint one or more other persons (who may not be shareholders) as his/her proxy to attend and vote on his/her behalf. The shareholder proxy can exercise the following rights according to the entrustment of the shareholder:

- (1) have the same right as the shareholders to speak at the shareholders' general meeting;
- (2) have authority to demand a poll or join in such a demand; and
- (3) have the right to vote by hand or on a poll, except that, where a shareholder has appointed more than one proxy, his/her proxies may only exercise the voting rights when a poll is taken.

Article 91 A shareholder shall entrust the proxy in writing, which shall be signed by the entrusting party or by the proxy entrusted by the entrusting party in writing; if the shareholder is a legal entity, the written entrustment file shall be sealed by the legal entity's stamp or signed by its directors or the proxy officially appointed by the shareholder.

Article 92 A shareholder shall attend the meeting upon the strength of his/her ID card or other valid certificates or proof or stock account certificate that can prove his/her identity; a proxy who attends the meeting entrusted by a shareholder shall show his/her valid ID card and the letter of attorney issued by the shareholder.

Institutional shareholders should assign his/her legal representative or a proxy authorised by the legal representative to attend the meeting. Where a legal representative attends the meeting, he/she should show the ID card, and a valid certification to prove the qualification of the legal representative; where an entrusted proxy attends the meeting, the proxy should show his/her ID card, a written letter of attorney issued by the legal representative of the institutional shareholder

unit in accordance with the laws.

Article 93 The letter of attorney issued by a shareholder to entrust a proxy to attend the shareholders' general meeting shall be in writing and include the following contents:

- (1) the name of the proxy;
- (2) whether have the voting right or not;
- (3) the instructions which respectively vote consent, objection and abstention over each item to be examined by the shareholders' general meeting;
- (4) the issuance date and expiry date of the letter of attorney;
- (5) whether have the voting right over temporary proposal which may be included in the agenda of the shareholders' general meeting or not, and specific instructions shall be given over what voting right shall be exercised if the proxy does have the voting right; and
- (6) the signature (or seal) of entrusting party. Where the entrusting party is an institutional shareholder, the legal entity shall seal on the letter of attorney.

The letter of attorney shall indicate that the shareholder proxy can vote according to his/her own opinions if the shareholder does not make specific instructions.

Article 94 The instrument appointing a voting proxy shall be placed at the domicile of the Company or at such other place as specified in the notice of the meeting within twenty-four (24) hours prior to the meeting at which the proxy is authorised to vote or within twenty-four (24) hours prior to the specified time for the voting. Where the instrument is signed by another person authorised by the entrusting party, the power of attorney or other authorization document shall be notarised. The notarised power of attorney or other authorization document shall be placed together with the instrument appointing the voting proxy at the domicile of the Company or at such other place as specified in the notice of the meeting.

Where the entrusting party is a legal person, its legal representative or the person authorised by resolution of its board of directors or other decision-making body shall be entitled to attend the Company's shareholders' general meeting as the representative of such legal person.

Where the shareholder is a recognised clearing house (or its proxy) defined by the Hong Kong Securities and Futures Ordinance, the shareholder may authorise one or more persons it considers appropriate as its representative(s) at any shareholders' general meeting or any category shareholders meeting; however, if more than one person are authorised, the power of attorney shall contain the number and class of shares for which such persons are authorised, and shall be signed by an authorised personnel of the recognised clearing house. The person(s) so authorised can represent the recognised clearing house (or its proxy) to attend the meeting and exercise its right, as if the persons are the Company's individual shareholders, and shall not be required to produce evidence of shareholding, the notarised power of attorney and/or further evidence to prove that he/she/they have been duly authorised.

Article 95 Where the entrusting party dies, loses its capacity for action, has revoked the authorisation of signing instrument of appointment prior to the voting, or the relevant shares have been transferred prior to the voting, a vote given in accordance with the terms of the power of attorney shall remain valid as long as the Company has not received a written notice of the event prior to the relevant meeting.

Article 96 When a shareholders' general meeting is held, all the directors and supervisors and the secretary of the Board of Directors shall attend the meeting, and the president and other senior management personnel shall attend the meeting as nonvoting delegates.

Article 97 The general meeting of shareholders shall be held by the chairman of the Board of Directors. Where the chairman cannot perform his/her duties or fails to perform his/her duties, the deputy chairman of the Board of Directors shall preside over the meeting; where the deputy chairman also can not perform his duties or fails to perform his duties, half of the directors or more shall jointly recommend one director to preside over the meeting.

Where the Board of Supervisors convene the shareholders' general meeting by themselves, the chairman of the Board of Supervisors shall preside over the meeting. Where the chairman of the Board of Supervisors cannot perform his duties or fails to perform his duties, the deputy chairman of the Board of Supervisors shall preside over the meeting; where the deputy chairman of the Board of Supervisors can not perform his duties or fails to perform his duties, half of the supervisors or more shall jointly recommend one supervisor to preside over the meeting.

Where the shareholders convene the shareholders' general meeting by themselves, the convener shall recommend one representative to preside over the meeting.

When the shareholders' general meeting is held and the presider of the meeting violates the rules of procedure and makes it difficult for the shareholders' general meeting to continue its meeting, the shareholders' general meeting may recommend one person as the presider of the meeting upon consent of not less than half of the voting shareholders that are present at the meeting, and continue the meeting.

Article 98 The Company shall formulate the rules of procedures for the shareholders' general meeting, which shall provide detailed provisions for the convening and voting procedures. The rules of procedures for the shareholders' general meeting shall be made as an appendix to the Articles of Association, prepared by the Board of Directors and approved by the shareholders' general meeting.

Article 99 At an annual shareholders' general meeting, the Board of Directors and the Board of Supervisors shall report their respective work of the previous year to the general meeting of shareholders.

Article 100 The directors, supervisors and senior management personnel shall explain the inquiries and suggestions of shareholders at the shareholders' general meeting except for the information involving the Company's business secrets which can't be made public at the shareholders' general meeting.

Section V Voting and Resolution of the shareholders' general meeting

Article 101 Resolutions of the shareholders' general meeting include ordinary and special

resolutions.

Ordinary resolutions of the shareholders' general meeting shall be passed by more than half (1/2) of the voting rights held by shareholders (including proxies) present at the meeting.

Special resolutions of the shareholders' general meeting shall be passed by more than two-thirds (2/3) of the voting rights held by the shareholders (including proxies) present at the meeting.

Article 102 The following matters shall be passed by ordinary resolution by the shareholders' general meeting:

- (1) The work report of the Board of Directors and the Board of Supervisors;
- (2) The profit distribution plan and loss make-up plan proposed by the Board of Directors;
- (3) Appointment and removal and remuneration and payment methods of the members of the Board of Directors and the Board of Supervisors;
- (4) The Company's annual budget and final accounts report, balance sheet, profits statement and other financial statements;
- (5) The Company's annual report;
- (6) Examination of changes in the way of using raised capital;
- (7) Other matters other than those stated to be passed by special resolutions by the laws, administrative regulations or the Articles of Association.

Article 103 The following matters shall be resolved by way of special resolutions of the shareholders' general meeting:

- (1) Increase or reduction of the Company's share capital and issuance of any category of shares, warrants or other similar securities;
- (2) Issuance of the Company's bonds or listing;
- (3) Division, merger, dissolution and liquidation or form change of the Company;
- (4) Amendment of the Articles of Association of the Company;
- (5) Fixed assets investment, external guarantee, external investment matters which shall be submitted to the shareholders' general meeting for examination in accordance with the relevant laws, administrative regulations and departmental rules, the provisions of the securities regulatory authority of the locality where the Company's stocks are listed as well as the provisions of the Company's Articles of Association and other internal system;
- (6) Equity incentive plan;
- (7) Other matters prescribed in the laws and administrative regulations, departmental regulations, provisions of securities regulatory authority of the locality where the Company shares are listed or the Articles of Association, as well as other matters, as determined by way of an ordinary resolution of the shareholders' general meeting, which may have a significant impact on the Company and require adoption by way of a special resolution.

Article 104 The shareholders (including proxies) shall exercise their voting rights according to the number of voting shares that they hold at the shareholders' general meeting, each share shall carry one voting right.

The Company has no voting right for the shares it holds, and such part of shares shall not be included in the total amount of voting shares of the shareholders that attend the shareholders' general meeting.

When any shareholder is not allowed to exercise any voting right or is restricted to cast either affirmative or negative vote, then the vote of the shareholder or its proxy in violation of the aforesaid rules or restrictions shall not be included in the voting result.

The Board of Directors, independent directors and shareholders conforming to the relevant prescribed requirements can solicit shareholders' voting rights.

Article 105 In case the shareholders' general meeting examines matters relating to connected transactions, the associated shareholder shall withdraw from the voting, its voting shares shall not be included in the total amount of valid voting shares. The resolution announcement of the shareholders' general meeting shall be given full disclosure of non-related shareholders' vote.

While the shareholders' general meeting examines connected transactions matters, the related shareholders shall withdraw from the voting; where the meeting need the connected shareholders to give explanations, the connected shareholders bear the duty and obligation to make truthful explanation in the meeting.

The meeting presider shall announce at the beginning of the meeting where there are matters that connected shareholders shall withdraw from voting.

Connected shareholder can withdraw by himself/herself, or any other shareholder attending the shareholders' general meeting can put forward withdrawing requests.

Article 106 The Company can provide convenience for shareholders to attend the shareholders' general meeting through all kinds of means and methods, including providing modern information technology means such as network voting platform under the premise of guaranteeing the conformity to laws and effectiveness of the shareholders' general meeting.

Article 107 The list of directors and supervisors candidates shall be submitted to the shareholders' general meeting for voting in the form of proposal.

When the shareholders' general meeting votes on the election of directors, the cumulative voting system may be implemented according to the provisions in the Articles of Association of the Company or the resolution of the shareholders' general meeting..

The cumulative voting system means that each share has the number of voting right equal to the number of directors to be elected, and the voting right owned by a shareholder may all be used toward one director candidate at the shareholders' general meeting for election of directors..

Article 108 Except for the cumulative voting system, the shareholders' general meeting shall vote

on all the proposals item by item, and shall vote on the proposals on the basis of the time sequence of the proposals if there are various proposals for one matter. Unless the shareholders' general meeting is suspended or no resolution can be made due to special reasons such as *force majeure*, the shareholders' general meeting shall not shelve the proposals or suspend the voting of proposals.

Article 109 When the shareholders' general meeting examines a proposal, it shall not amend the proposal, otherwise, the relevant modification shall be regarded as a new proposal and shall not be voted on at the present shareholders' general meeting.

Article 110 Votes of the shareholders' general meeting shall be taken by raising hands for resolutions, unless relevant regulations of the securities regulatory authority of the locality where the shares of the Company are listed require voting by poll, or the following persons require voting by ballot before or after voting by raising hands:

- (1) The meeting presider;
- (2) At least two (2) shareholders having voting rights or proxies of shareholders having voting rights;
- (3) One or several shareholders (including their proxies) holding individually or jointly ten percent (10%) or more of the voting shares at the meeting.

Unless the securities regulatory authority of the locality where the shares of the Company are listed requires otherwise or somebody proposes voting by ballot, the presider of the meeting shall declare whether the proposal has been adopted according to the results of the vote by raising hands, and shall record the content in the minutes of the meeting, which shall serve as final evidence without having to state the number or proportion of the votes for or against the resolution adopted at the meeting.

The request for voting by ballot may be withdrawn by the person who made it.

Article 111 The same voting right can only be exercised by means of one of the following: vote at the scene, through network or other voting methods. The same voting right with duplicate voting will be subject to the outcome of the first voting.

Article 112 Where the matter requested to be voted upon by ballot is the election of the presider or the adjournment of the meeting, a ballot shall be taken immediately; where a ballot is requested for any other matter, such ballot shall be taken at the time decided upon by the presider and the meeting may proceed with the discussion of other matters; the result of the ballot shall still be regarded as a resolution adopted at that meeting.

Article 113 When a ballot is held, shareholders (including their proxies) with two (2) or more votes need not cast all their votes as affirmative or negative.

Article 114 Before the shareholders' general meeting votes on proposals, it shall recommend two (2) shareholders to take part in the calculation and monitoring of the cast of ballots. In case any

matter for deliberation concerns the interest of any shareholder, such shareholder and his/her proxy shall not take part in the calculation and monitoring of the cast of ballots.

When the shareholders' general meeting is voting on the proposals, the lawyers, representatives of shareholders and supervisors shall be jointly responsible for the calculation and monitoring of ballots, the voting results shall be announced on the site and shall be recorded in the minute of the meeting.

The shareholders or their proxies that vote through network or by any other means shall have the right to check their voting results through the corresponding voting system.

Article 115 The live meetings of the shareholders' general meeting shall not end any earlier than that held through network or by any other means. The presider of the meeting shall declare the voting and result of each proposal at the meeting, and announce whether the proposal has been adopted in light of the voting result.

Before the voting result is formally announced, relevant parties including the Company, vote counters, vote monitors, main shareholders and the network service provider, etc. involved in the voting of the shareholders' general meeting on the site, through network or by any other means, shall bear the obligation of keeping the confidentiality of the voting.

Article 116 The shareholders attending the shareholders' general meeting shall deliver one of the following kinds of opinion on the proposals put forward for voting: consent, objection or abstention.

Voters, whose ballots are not filled in, wrongly filled in or unintelligible shall be regarded as having abandoned their voting rights and the voting results of their shares shall be regarded as "abstention".

Article 117 The presider of the meeting shall be responsible for deciding whether or not a resolution of the shareholders' general meeting has been passed. His/her decision shall be final and shall be announced at the meeting and recorded in the minute of the meeting.

Article 118 Where the presider of the meeting has any doubts over the results of a resolution put forward for voting, he/she may organise the counting of the number of vote cast; where the presider of the meeting does not count the votes, a shareholder or its proxy attending the meeting who challenges the result announced by the presider of the meeting shall have the right to request counting of votes to be conducted immediately after such announcement, and the presider of the meeting shall immediately organise the counting of the votes.

Article 119 Where counting of votes is held at a shareholders' general meeting, the result of the counting shall be recorded in the minutes of the meeting.

The minutes of the meeting together with the attendance records signed by the attending

shareholders and proxies' power of attorneys shall be kept at the Company's domicile.

Article 120 Shareholders may examine photocopies of the minutes of meetings during the Company's office hours free of charge. If any shareholder requests from the Company a photocopy of relevant minutes of meetings, the Company shall send such photocopies within 7 days of receiving payment of reasonable charges.

Article 121 The resolutions of the shareholders' general meeting shall be announced in a timely manner, and the announcement shall indicate the number of shareholders and proxies that attended the meeting, the total amount of their voting shares and its proportion to the total voting shares of the Company, the voting method, the voting result of each proposal and detailed contents of each resolution.

Article 122 Where a proposal is not adopted or the shareholders' general meeting changes the resolution of any previous shareholders' general meeting, it shall give a special notice in the announcement on the resolution of the shareholders' general meeting.

Article 123 Where the shareholders' general meeting adopts the proposal on the election of relevant directors or supervisors, the post-taking time of the newly appointed directors or supervisors shall be calculated from the date when the resolution of the shareholders' general meeting is adopted.

Article 124 Where the shareholders' general meeting adopts the proposal on profit distribution, cash dividends, rights issue or capitalisation of capital reserves, the Company shall implement the specific scheme within two (2) months upon conclusion of the shareholders' general meeting.

Chapter VII Special Procedures for Voting by Classified Shareholders

Article 125 Shareholders who hold different categories of shares shall be classified shareholders. Classified shareholders enjoy rights and assume obligations according to laws, administrative regulations and the provisions of the Articles of Association.

Article 126 Where the Company proposes to change or abrogate the rights of classified shareholders, the proposal shall be implemented only after it has been approved by a special resolution of the shareholders' general meeting and by the shareholders' meetings convened separately by affected classified shareholders according to Article 128 to Article 132 of the Articles of Association.

Article 127 In the following conditions, the rights of a certain classified shareholders shall be deemed to be changed or abrogated:

(1) an increase or decrease in the number of shares of such category, or an increase or decrease in the number of shares of a category which enjoys equal or more voting rights, distribution rights

and other privileges to those of the shares of such category;

(2) a conversion of all or part of the shares of such category to the shares of another category, or a conversion of all or part of the shares of another category to the shares of such category, or the grant of such conversion right;

(3) a cancellation or reduction of the right of the shares of such category to gain accrued dividends or cumulative dividends;

(4) a reduction or cancellation of the priority of the shares of such category to in obtaining dividends, or property distribution in the Company's liquidation;

(5) an increase, cancellation or reduction in the share conversion rights, options, voting rights, transfer rights, pre-emptive rights, and rights to acquire the Company's securities attached to the shares of such category;

(6) a cancelation or reduction of rights to receive amounts payable of the Company in a particular currency attached to shares of such class;

(7) a creation of a new category of shares with voting rights, distribution rights or other privileges equal or superior to those of the shares of such category;

(8) an imposition of restrictions or increase of restrictions on the transfer or ownership of shares of such category;

(9) a right to subscribe for such class or another category of shares, or convert into another category of shares;

(10) an increase in the rights and privileges of shares of another category;

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

(12) an amendment or cancellation of the provisions in this chapter.

Article 128 Affected classified shareholders, regardless of whether they originally have voting rights in the shareholders' general meeting, have the voting rights on the classified shareholders' meeting for issues stated in (2) to (8) and (11) to (12) of Article 127, except for the interested.

The interested shareholders mentioned in the preceding paragraph are defined as follows:

(1) when the Company issues a buy-back offer to all shareholders equally pro rata or buys back its own shares by open transaction at stock exchange according to Article 33, Section II, Chapter III of the Articles of Association. The interested shareholders refer to the controlling shareholders

defined in Article 68, Chapter V of the Articles of Association.

(2) when the Company buys back its own shares by agreement outside a stock exchange in accordance with Article 33, Section II, Chapter III of this Articles of Association, the interested shareholders refer to the shareholders which are related to the agreement;

(3) in the Company's restructuring plan, the interested shareholders refers to those shareholders who undertake liability in a lower proportion than other shareholders under this category or refers to the shareholders who own interests different from other shareholders under this category.

Article 129 The resolutions of classified shareholders' meeting shall be passed by more than two-thirds (2/3) of voting shares of shareholders who attend classified shareholders' meeting and have the voting rights according to Article 128.

When any shareholder is not allowed to exercise any voting right on a proposal or is restricted to casting affirmative vote or negative vote, the vote that the shareholder or its agent casts in violation of the foregoing stipulation or restriction shall not be included in the voting result.

Article 130 If the Company intends to convene a meeting of classified shareholders, it should issue a written notice forty-five (45) days in advance to inform all registered shareholders under this category about the issues to be reviewed at the meeting, meeting date and meeting place. The shareholders who intend to attend the meeting shall send their written replies of attendance to the Company 20 days before the meeting is held.

If the number of shares with voting right on the meeting held by shareholders who intend to attend meeting reaches more than half of the total number of the shares of such category with voting right at the meeting, the Company may convene a meeting of classified shareholders; if not, the Company should, within five days, notify shareholders, through public notice, the issues to be reviewed at the meeting, meeting date and place, and then the Company may convene a meeting of classified shareholders.

Article 131 The notice on meeting of classified shareholders only needs to be sent to shareholders entitled to vote at the meeting.

Meetings of classified shareholders should be held in the procedure, to the extent possible, same as that of the shareholders' general meeting. The provisions on procedures of shareholders' general meeting as stated in the Articles of Association apply to the meeting of classified shareholders.

Article 132 In addition to other classified shareholders, shareholders of domestic shares and shareholders of foreign shares listed overseas are regarded as shareholders under different categories.

The following circumstances shall not apply to special procedures for voting by classified shareholders:

(1) upon approval of the general meeting of shareholders by special resolution, the Company issues domestic listed shares and overseas listed shares every other twelve (12) months, either separately or simultaneously, and the domestic listed shares and overseas listed shares to be issued do not exceed twenty (20%) of the total number of such category of shares already issued to the public;

(2) the plan on issuing domestic listed shares and overseas listed shares at the incorporation of the Company is accomplished within fifteen (15) months from the date of obtaining approval from the securities regulatory authority of the State Council;

(3) shares of the Bank held by its promoters are converted into overseas listed shares upon approval by the securities regulatory authority of the State Council or the securities approval authority authorised by the State Council.

Chapter VIII Board of Directors

Section I Director

Article 133 The directors of the Company are natural persons. The directors of the Company must have the service qualifications serving as directors required by China Banking Regulatory Commission, and only serve as directors of the Company after their service qualifications are examined and approved by the banking regulatory authority of the State Council.

Article 134 The directors are elected or replaced by the shareholders' general meeting for a term of three (3) years. A director may, if re-elected upon expiration of the term of office, serve consecutive terms. Before the expiration of the term, the shareholders' general meeting cannot remove a director from his/her post without cause. The directors of the Company need not hold shares of the Company.

The term of office of directors is from the date of the resolution passed by the shareholders' general meeting, until the expiration of the term of office of the current Board. Where no election is conducted in time before the expiration of the term of office of a director, the existing director shall, before the director-elected takes office, continue to perform his duty as a director in accordance with laws, administrative regulations, and departmental rules and the Articles of Association.

The president or other senior management personnel can concurrently serve as a director, but the total number of directors concurrently serving as the president or other senior management personnel positions and the directors serving as the representatives of the employees shall be no more than half (1/2) of directors of the Company.

After elected by the shareholders' general meeting, the service qualifications of the directors shall be examined and approved by the banking regulatory authority of the State Council.

Under the prerequisite to abide by relevant laws and administrative regulations, the shareholders' general meeting may remove any director before the expiration of his/her term of office by way of an ordinary resolution (but claims made by the director pursuant to any contract are not affected).

Article 135 The way and procedures for nomination of directors are as follows:

(1) The shareholders that individually or jointly hold more than 3 percent (3%) of the voting shares of the Company are entitled to nominate director candidate to the shareholders' general meeting, and the directors are elected by the shareholders' general meeting of the Company;

(2) The director candidate shall make a written commitment before the shareholders' general meeting to accept the nomination, and undertake that the information provided is true and complete, and ensure that he/she will earnestly discharge his/her duties as a director upon being appointment;

(3) A shareholder shall not simultaneously nominate directors and supervisors; if a director nominated by a shareholder has been appointed as a director, and before the expiration of the term of office of the director, the shareholder is not allowed to nominate any supervisor candidate. Any exemption due to special ownership structure shall make an application to the banking regulatory authority of the State Council and provide the reasons in support.

The number of directors nominated by the same shareholder and its associates, in principle, shall not exceed one third (1/3) of the total number of members of the Board of Directors.

(4) The intention of the director candidate and the written notice to indicate the willingness of candidate to accept the nominations shall be issued to the Company within fourteen (14) days before the convening of the shareholders' general meeting;

(5) The period for the nominators and the nominee to submit the aforesaid notice and commitment (such period shall start from the second day of the issuance of the notice of the shareholders' general meeting) shall be not less than fourteen (14) days.

Article 136 The directors shall comply with the laws, administrative regulations and the Articles of Association, and bear the following faithful obligations to the Company:

(1) shall not take bribes or other illegal income by making use of position, and not seize the properties of the Company;

(2) shall not misappropriate funds of the Company;

(3) shall not save the assets or funds of the Company into the accounts opened in his own name or other personal name;

(4) shall not violate the provisions of the Articles of Association, or without the consent of the

shareholders' general meeting or the Board of Directors, to loan funds of the Company to others or provide the properties of the Company to others for guarantee;

(5) shall not violate the provisions of the Articles of Association, or without the consent of the shareholders' general meeting, enter into a contract or transaction with the Company;

(6) without the consent of the shareholders' general meeting, shall not take advantage of the position, to seek business opportunities that shall belong to the Company for himself or others, and engage in the business similar to the Company by himself or with others;

(7) shall not accept and occupy the commissions in transactions with the Company;

(8) shall not disclose the secrets of the Company without approval;

(9) shall not impair the interests of the Company by making use his associate relationship;

(10) exercise the powers within the limits of their responsibilities, and shall not abuse powers;

(11) shall not reap benefits for him or others by making use of inside information;

(12) shall not maliciously harm the interests of the Company in other ways;

(13) other faithful obligations stipulated by laws, administrative regulations, and departmental rules and the Articles of Association.

The revenues obtained by the director in violation of this Article shall belong to the Company; in the event of causing losses to the Company, the director shall be liable for compensation.

Article 137 The directors shall comply with the laws, administrative regulations and the Articles of Association, and bear the following diligence obligations to the Company:

(1) shall cautiously, carefully and diligently exercise the rights conferred by laws and the Articles of Association, in order to ensure the Company's business practices comply with national laws, administrative regulations and the requirements of the national economic policies, and commercial activities shall not exceed the business range stipulated on the business license;

(2) shall be fair to all shareholders;

(3) shall carefully read the business, financial reports of the Company, timely understand the business operations and management of the Company;

(4) shall sign a written confirmation to the Company's periodic reports, to ensure that the information disclosed by the Company is true, accurate and complete;

(5) personally exercise the legally conferred disposal right of the Company, shall not be

manipulated by others; without the permit of laws, regulations or without the approval of shareholders' general meeting upon informed circumstances, shall not grant the disposal right to others for exercise;

(6) shall truthfully provide relevant information and data to the Board of Supervisors, and shall not prevent the exercise of functions and powers of the Board of Supervisors or the supervisors;

(7) actively participate in relevant trainings, understand the rights, obligations and responsibilities of directors, be familiar with relevant laws and regulations, and grasp relevant knowledge that shall be possessed as a director;

(8) be diligent and fulfil duties, and maintain the financial security of the Company;

(9) other diligence obligations stipulated by laws, administrative regulations, and departmental rules and the Articles of Association.

Article 138 Where a director neither personally attends the board meeting for two (2) consecutive times, nor engages another director to attend the board meeting, he/she shall be deemed not to perform the duties, and the Board of Directors shall recommend the shareholders' general meeting to dismiss and replace him.

Article 139 The director may resign before the expiration of his term. The director shall submit a written resignation to the Board of Directors to resign. The Board of Directors will disclose the situation in two (2) days.

Article 140 Where the number of the directors in the Board of Directors of the Company is less than the statutory number due to the resignation of a director within his term of office, such director shall, until a new director is elected, continue to perform his duty as a director in accordance with laws, administrative regulations, and departmental rules and the Articles of Association.

Except as provided in the preceding clauses, the resignation of directors shall come into force upon the delivery of the resignation report to the Board of Directors.

Article 141 Where a director violates the provisions of laws, regulations or the Articles of Association, infringes the interest of the shareholders, other directors, supervisors and senior management personnel of the Company, and constitutes a crime, and such facts have been adjudicated by the competent court upon final judgment, from the date of the effectiveness of such judgment, the director is accordingly dismissed from office, and the dismissal is announced by the chairman of Board of Directors on the next board meeting.

Article 142 Upon the effective resignation or the expiration of the term of office, the director shall complete all transfer procedures to the Board of Directors, and the faithful obligations borne to the Company and shareholders are not accordingly released and shall be still effective within a

reasonable period specified in the Articles of Association, his/her confidentiality obligation to conserve trade secret of the Company is still effective after the end of his term of office, until the secret becomes public information. The duration of the obligations shall be decided based on the principle of fairness, depending on the length of the event and the time of departure, and the circumstances and conditions under which the relationship between the directors and the Company comes to the end.

Article 143 Without the provisions of the Articles of Association and the lawful authority of the Board of Directors, any director shall not act on behalf of the Company or the Board of Directors in his own name. When a director acts in his own name, under the circumstances that the third party may reasonably believe that the director acts on behalf of the Company or the Board of Directors, the director shall declare his position and identity in advance.

Article 144 A director that violates laws, administrative regulations, departmental rules or the Articles of Association and causes losses to the Company in performing duties of the Company shall be liable for compensations.

Article 145 The Board of Directors shall develop standards and procedures for assessing the performance of directors, to strengthen the management of the duty fulfilment of directors.

Section II Independent Directors

Article 146 The independent directors of the Company shall be implemented in accordance with the related provisions of laws, administrative regulations and departmental rules.

Article 147 Independent directors of the Company refer to the directors that do not hold any position other than the directors and the members of the special committee of the Board of Directors, and have no relationship with the Company and major shareholders which possibly impedes his independent and objective judgment. Independent directors shall meet the following basic requirements:

- (1) in accordance with the laws, regulations and other relevant regulations, have the qualifications to be serving as directors of the Company;
- (2) perform the duties independently, not affected by the main shareholders, actual controllers, or other units or individuals that have interests with the Company;
- (3) have a basic knowledge for the operation of listed companies, familiar with relevant laws, administrative regulations, departmental rules and regulations;
- (4) have more than five (5) years of legal, economic, financial or other working experiences beneficial for performing duties of independent directors;
- (5) have a university degree or related intermediate professional titles;

(6) ensure sufficient time and effort to effectively perform the duties of independent directors, and work no less than fifteen (15) days for the Company in each year;

(7) familiar with laws and regulations related to commercial bank management;

(8) able to read, understand and analyse the credit statistics reports and financial statements of commercial banks;

(9) meet the relevant requirements on independent directors stipulated in the Listing Rules of the Hong Kong Stock Exchange;

(10) meet other requirements stipulated by laws, administrative regulations, departmental rules or regulatory authority.

Article 148 Except the persons that shall not serve as directors of the Company, the following persons shall not serve as independent directors of the Company:

(1) the persons who hold more than 1% of the shares of the Company or take office in the companies of the shareholders;

(2) persons taking office in the Company, or in the enterprises which are held the controlling shares by the Company or actually controlled by the Company;

(3) persons who have ever taken office in the Company, or in the enterprises which are held the controlling shares by the Company or actually controlled by the Company within three (3) years prior to taking office;

(4) persons taking office in enterprises which fail to return the money borrowed from the Company;

(5) persons taking office in institutions that has legal, accounting, auditing, management consulting and other business contacts or interest relations with the Company;

(6) any other person who can be controlled or significantly affected through a variety of ways by the Company;

(7) close relatives of above-mentioned persons (close relatives mentioned in this article mean husband and wife, parents, children, paternal grandparents, maternal grandparents, brothers and sisters. For the persons taking office in the Company or the subsidiary companies of the Company, close relatives also include the spouses of wife's parents, daughter-in-law and son-in-law, and brothers and sisters, and the brothers and sisters of spouses, etc.)

(8) persons working part-time in other commercial banks;

(9) persons working in state organs;

(10) other persons that shall not serve as independent directors stipulated by laws, administrative regulations, departmental rules or the securities regulatory body and the banking regulatory authority of the State Council, and Hong Kong Stock Exchange.

Article 149 The members of the Company's Board of Directors shall have one third (1/3) or more independent directors, including at least 1 accounting professional.

Article 150 The way and procedures for nomination of independent directors:

(1) the Board of Directors may nominate and the Remuneration Evaluation Committee may propose candidates qualified for independent directors to the Board of Directors;

(2) The same shareholder may only nominate one independent director candidate, and is not allowed to nominate independent director and external supervisor at the same time;

(3) The nominator of independent director shall obtain prior consent of the nominee before the nomination. The nominator shall fully understand the occupation, education, job title, detailed work experience, and all of the part-time work of the nominee, and comment on the qualifications and independence of the nominee to serve as independent director, and the nominee shall make a public statement that no relationship exists between him/her and the Company which may affect the his/her independence and objective judgment;

(4) The shareholders that individually or jointly hold more than 1% of the issued shares of the Company are entitled to nominate independent director candidate to the shareholders' general meeting, and independent directors are elected by the shareholders' general meeting;

(5) The term of office of the independent directors is the same as the term of office of the directors of the Company. The term of independent directors in the Company shall comply with the provisions of laws and regulatory authority, and an independent director may, if re-elected upon expiration of the term of office, serve consecutive terms, and the terms served consecutively shall not exceed six years.

Article 151 An independent director may resign before the expiration of the term of office. Before the shareholders' general meeting or the Board of Directors approves the resignation of an independent director, the independent director shall continue to perform his/her duties. The independent director shall submit a written resignation report to the Board of Directors for resignation, and explain any circumstance related to the resignation or which he/she considers necessary to be noticed by shareholders and creditors of the Company. Where the resignation of the independent director results in that the proportion of independent directors of the Board of Directors of the Company is below the minimum requirement of the laws and regulations, the resignation report of the independent director shall take effect after the new independent director

fills his/her vacancy.

Article 152 An independent director in one of the following circumstances shall be removed by the shareholders' general meeting proposed by the Board of Directors:

- (1) not meets the service qualifications for an independent director due to position change and not resign personally;
- (2) the number of board meetings attended in person in one year is less than two thirds (2/3) of the total number of board meetings;
- (3) neither attends in person the board meeting nor engages another independent director to attend the board meeting for two (2) consecutive times; or not attend in person the board meeting for three (3) consecutive times;
- (4) other circumstances not suitable to serve as an independent director stipulated by the laws and regulations.

Article 153 The independent director whose service qualifications are cancelled by the banking regulatory authority of the State Council due to serious misconduct shall not serve as the independent director of the Company. His/her post is accordingly removed from the date of the cancellation of service qualifications, and the Company shall promptly elect a new independent director. The following conducts shall be deemed as serious misconducts of independent directors:

- (1) disclose the trade secrets of the Company, and impair the legal interests of the Company;
- (2) accept improper benefits in the course of the performance of duties, or use the position of independent director for personal gain;
- (3) clearly know the resolution of the Board of Directors violates laws, regulations or the Articles of Association of the Company, and not propose objections;
- (4) an independent director doesn't exercise the veto for associated/connected transactions that result in a significant loss to the Company, which shall be submitted to the Board of Directors for deliberation according to laws, administrative regulations, departmental rules, the related regulations of the stock exchange in which the shares of the Company are listed, the Articles of Association, and other internal systems;
- (5) other serious misconducts identified by the regulatory authority.

Article 154 Independent directors bear fiduciary obligations and shall be diligent and fulfil duties. In addition to the functions and powers conferred to directors by the *Company Law* and other relevant laws, regulations and the Articles of Association, the independent directors of the Company also enjoy the following special functions and powers:

(1) the associated/connected transactions shall be submitted to the Board of Directors for discussion after the approval of independent directors in accordance with laws, administrative regulations, departmental rules, the provisions of the securities regulatory authority of the place where the shares of the Company are listed, the Articles of Association and other internal rules; before making judgments, independent directors can hire an intermediary to issue independent financial adviser reports, as the basis for the judgments ;

(2) propose to the Board of Directors for the employment or dismissal of the accounting firm;

(3) submit proposal for the convening of an extraordinary general meeting of shareholders to the Board of Directors;

(4) propose the convening of the board meeting;

(5) independently hire an accounting firm and advisory institution;

(6) publicly call for voting rights to shareholders prior to the shareholders' general meeting.

The performance of above-mentioned functions and powers of independent directors shall obtain the consent of more than half (1/2) of all the independent directors. If the above-mentioned proposal is not adopted or the above-mentioned functions and powers cannot be properly exercised, the Company shall disclose the related situation.

Article 155 Independent directors may express objective and impartial independent opinions on the matters discussed on the Board of Directors, and independent directors shall be particularly concerned about the following issues when expressing their opinions:

(1) the associated/connected transactions that shall be submitted to the Board of Directors for deliberation in accordance with laws, administrative regulations, departmental rules, the provisions of the securities regulatory authority of the place where the shares of the Company are listed, the Articles of Association and other internal systems of the Company;

(2) profit distribution programmes;

(3) engagement and dismissal of senior management personnel;

(4) matters that may result in significant losses to the Company;

(5) matters that may harm the interests of depositor or medium and minor shareholders.

Article 156 In addition to the fulfilment of above-mentioned responsibilities, independent directors shall also form an independent opinion on the following matters to the Board of Directors or the shareholders' general meeting:

- (1) nomination, engagement and removal of directors;
- (2) engagement or dismissal of senior management personnel;
- (3) remuneration of directors, and senior management personnel of the Company;
- (4) existing or new associated/connected transactions of shareholders, actual controllers and other associated enterprises of the Company that shall be submitted to the Board of Directors for deliberation in accordance with laws, administrative regulations, departmental rules, the provisions of the securities regulatory authority of the place where the shares of the Company are listed, the Articles of Association and other internal rules of the Company and whether the Company is taking effective measures to recover arrears ;
- (5) matters considered by independent directors that could possibly harm the interests of medium and minor shareholders;
- (6) other matters stipulated by laws, administrative regulations, departmental rules, the provisions of the securities regulatory authority of the place where the shares of the Company are listed, and the Articles of Association.

Independent directors shall express one of the following categories of opinions on the above-mentioned matters: consent; reserved opinions and the reasons; objections and the reasons; inability to issue opinions and the obstacles. If relevant matters are required to be disclosed, the Company shall announce the opinions of independent directors, where the opinions of independent directors differs and an agreement cannot be reached, the Board of Directors shall separately disclose the opinions of each independent director.

Article 157 The opinions expressed by independent directors on the Company's decisions shall be stated in the records of the board meetings. Independent directors not proposing objections on the resolutions of the board meetings that violate laws, regulations or the Articles of Association of the Company and result in serious losses to the Company shall be liable for compensations according to laws.

Article 158 In order to ensure the effective functioning of independent directors, the Company shall provide the necessary conditions for independent directors:

- (1) the Company shall ensure that the independent directors are entitled to the same right of information as other directors;
- (2) the Company shall provide independent directors with the necessary working conditions to perform their duties;
- (3) when independent directors exercise their functions and powers, the relevant personnel of

the Company shall actively cooperate and shall not refuse, obstruct, conceal, or interfere with the independent exercise of the functions and powers;

(4) the fees of the intermediary hired by independent directors and other costs for the exercise of functions and powers shall be borne by the Company;

(5) the Company gives proper allowances to independent directors. The plan for allowance standard shall be made by the Board of Directors, passed through the consideration and discussion of the shareholders' general meeting, and disclosed in the annual report of the Company. In addition to the above-mentioned allowances, the independent directors shall not obtain any other additional, undisclosed interests from the Company and the major shareholders or interested organizations and personnel of the Company.

Section III Board of Directors

Article 159 The Company sets up the Board of Directors, which is responsible for the shareholders' general meeting.

Article 160 The Board of Directors consists of eleven (11) to fifteen (15) directors, including 1 chairman of Board of Directors and one (1) vice chairman of Board of Directors, and the number of independent director shall be not less than one third (1/3) of all directors.

Article 161 The Board of Directors shall exercise the following functions and powers:

(1) convene the shareholders' general meeting and to report to the shareholders' general meeting;

(2) implement the resolutions of the shareholders' general meeting;

(3) decide the development plan of the Company;

(4) decide the operation plan, investment plan, and major assets disposal plan of the Company;

(5) formulate the annual financial budget plan and final account plan of the Company;

(6) formulate the profit distribution plan and loss make-up plan of the Company;

(7) formulate the plans for the increase or decrease of the registered capitals, the issuance of bonds or other securities and the listing of the Company;

(8) make the plans for major acquisitions of the Company, the acquisitions of the stock of the Company or merger, division, dissolution and form change of the company;

(9) regularly evaluate and improve the Company's corporate governance;

(10) within the authorised range of the shareholders' general meeting, decide the Company's external investment, acquisition and selling of assets, pledged assets, external guarantee matters, associated/connected transactions and other matters;

(11) determine arrangement plans for the Company's internal management agencies, branches and capacity, and the number of management personnel;

(12) according to the nomination of the chairman of Board of Directors, engage or dismiss the president and secretary of the Board of the Company; upon the nomination of the president, engage or dismiss the vice president, assistant president, financial director and other senior management personnel;

(13) decide the remuneration matters and disciplinary matters of senior management personnel;

(14) formulate the basic management system, validate work rules for the president;

(15) formulate the amendment plan for the Articles of Association;

(16) manage the information disclosure matters of the Company;

(17) propose on the engagement or replacement of the accounting firm that audits the Company to the shareholders' general meeting;

(18) listen to the work report of the president of the Company and check the work of the president;

(19) verify the Company's compliance with the *Corporate Governance Code* specified in Listing Rules of Hong Kong Stock Exchange and the information disclosed in the *Corporate Governance Report*;

(20) other functions and powers conferred by laws, administrative regulations, departmental rules or the Articles of Association.

Article 162 The Board of Directors shall explain the non-standard audit opinions issued by certified public accountants on the financial report of the Company to the shareholders' general meeting.

Article 163 The Board of Directors shall regularly or irregularly report work to the Board of Supervisors, to accept the supervision from the Board of Supervisors.

Article 164 The Board of Directors lifting duties of the president within the engagement period shall promptly inform the Board of Supervisors and make a written statement to the Board of Supervisors.

Article 165 The Board of Directors formulates Rules and Procedures of Board of Directors and the organization rules of all professional committees and related working agencies, to ensure the Board of Directors implements resolutions of the shareholders' general meeting, improve work efficiency, and ensure scientific decision-making.

Article 166 At the time of disposal of fixed assets, if the sum of the expected value of the fixed assets to be disposed and the value of fixed assets disposed within four (4) months before this disposal exceeds 33% of the value of fixed assets revealed in the balance sheet recently adopted by the shareholders' general meeting, the Board of Directors shall not dispose or agree to dispose the fixed assets without the prior approval of shareholders' general meeting.

The disposal of fixed assets referred in this article includes the transfer of certain assets and interests, but does not include the guarantee provided with fixed assets.

The effectiveness of transactions of the Company to dispose fixed assets is not affected by the violation of the first clause of this article.

Article 167 In order to strengthen the management of the Company's investment in village and township banks, the Company sets up Bureau of Directors for Village and Township Banks responsible for the Board of Directors

Article 168 The Board of Directors holds at least four (4) meetings every year, convened by the chairman of Board of Directors, and noticed to all directors and supervisors in a written form within fourteen (14) days before the meeting.

Article 169 Upon any of the following circumstances, the chairman of Board of Directors convenes and presides over an interim board meeting within 10 days after receiving the proposal:

- (1) proposed by shareholders representing more than one tenth (1/10) of the voting rights ;
- (2) proposed by more than one third (1/3) of directors ;
- (3) proposed by the Board of Supervisors;
- (4) the chairman of Board of Directors considers necessary;
- (5) proposed by more than half (1/2) of independent directors ;
- (6) proposed by the president ;
- (7) the regulatory department requires to hold the meeting;
- (8) other circumstances stipulated in the Articles of Association.

Article 170 The ways of notice for an interim board meeting are: issue the notice to each director in the form of fax, express mail, hand delivery, or e-mail; the notice period is: three (3) working days before the meeting. Where the interim board meeting is needed to be held as soon as possible under emergency situation, the meeting notice may be issued by telephone or other oral ways, but the convener shall give an explanation at the meeting.

Article 171 The meeting notice of the board meeting includes the following:

- (1) the time and place of the meeting;
- (2) duration of the meeting;
- (3) the subject and issues;
- (4) the date of the notice.

Article 172 The board meeting shall be held upon the attendance of more than half of directors. The resolutions of the Board of Directors must be passed upon the approval of more than half of all the directors, and the major external investment, the major fixed asset disposal plans and other major matters that shall be submitted to the Board of Directors for deliberation in Item (6), (7), (8), (12) and (15) in Article 161 of the Articles of Association and the provisions of the internal systems of the Company must be passed upon the approval of more than two thirds (2/3) of directors.

One person, one vote, is performed for the vote on resolutions of the Board of Directors.

Article 173 The director that has associated relationship with the enterprise involved in the resolution of the board meeting shall not exercise the right to vote on the resolution, nor exercise voting rights on behalf of other directors. The board meeting could be held upon the attendance of directors without associated relationship, and the resolution of the board meeting shall be passed upon the approval of directors without associated relationship. The aforementioned matters that shall be passed upon the approval of more than two thirds (2/3) of the directors of the Board must be passed upon the approval of more than two thirds (2/3) of the directors without associated relationship. In the event of less than three (3) attending directors without associated relationship, the matter shall be submitted to the shareholders' general meeting for deliberation.

Article 174 The voting method for the resolution of the Board of Directors is to vote by disclosed ballot. Each director shall have one vote.

Under the prerequisite to sufficiently ensure directors to express opinions and have the full conditions to understand the meeting subject and issues and other information, the interim board meeting may be held in a communication voting method and make resolutions, and signed by the attending directors.

The major external investment, the major fixed asset disposal plans and other major matters that shall be submitted to the Board of Directors for deliberation in Item (6), (7), (8), (12) and (15) in Article 161 of the Articles of Association and the provisions of the internal systems of the Company shall not be voted in a communication way.

Article 175 The board meeting shall be attended by directors personally. Regular or interim board meeting may be held by telephone or similar communications equipment, as long as the participating directors can hear speech of other directors and make normal communication, all the participating directors shall be deemed to have personally attended the meeting. The director unable to attend can entrust another director to attend the meeting in a written form, the power of attorney shall clearly state the agent's name, ID number, the reason why the principal cannot attend, the agency matters, the scope and validity of authorization, the brief comments of the principal on each proposal, and the instructions of the principal on the voting intention for each proposal, and signed and sealed by the principal.

The director who attends the meeting on behalf of another director shall exercise the rights of directors within the authority. The director not attending the board meeting and not entrusting a representative to attend the meeting shall be deemed to have waived the right to vote.

Except as otherwise required by the Articles of Association of the Company and the Listing Rules of the Stock Exchange in which the shares are listed, the Board of Directors may accept a written motion to replace the board meeting, the draft of the motion shall be sent to each director by specially-assigned persons, post, telegram or fax, if the Board of Directors has distributed the motion to all directors, after the number of directors signing to consent has reached the quorum for making a decision, and the motion is sent to the Board Secretary by the above-mentioned ways, the motion shall be the resolution of the Board of Directors, and the board meeting is not needed to be convened.

Article 176 The Board of Directors shall make meeting minutes for all decisions of matters discussed at the meeting, and the attending directors and the recorder shall sign on the meeting minutes. The attending directors shall have the rights to require making explanatory notes on their speech at the meeting.

Article 177 The directors shall be responsible for resolution of the Board of Directors. Where the board resolutions violate laws, administrative regulations or the Articles of Association, resulting in losses to the Company, the directors involved in the resolution shall be liable for compensations to the Company. But the director whose vote is proved to express dissent and is recorded in the minutes may be exempted from liability.

Article 178 The office of Board of Directors is a working body established by the Board of Directors of the Company, and is mainly responsible for the preparation and information disclosure of the shareholders' general meeting, the board meeting, and the meetings of the special committees of the Board of Directors, and other daily affairs of the Board of Directors and the special committees of the Board of Directors.

Section IV Chairman of Board of Directors

Article 179 The Board of Directors shall have 1 chairman of Board of Directors and 1 vice chairman of Board of Directors. The chairman of Board of Directors and vice chairman of Board of Directors shall be elected by more than half of all the directors on the board meeting, and have a term of office for three (3) years and may be re-elected.

Article 180 The chairman of the Board of Directors and the president of the Company shall be divided and the chairman of Board of Directors shall not be undertaken by the legal representative or the main person in charge of the controlling shareholders.

Article 181 The chairman of the Board of Directors shall exercise the following functions and powers:

(1) preside over the shareholders' general meeting and convene and preside over board meetings;

(2) supervise and inspect the implementation of resolutions of board meetings;

(3) sign the corporate bonds and other negotiable securities;

(4) propose the president candidate and the board secretary of the Company to the Board of Directors and other candidates that shall be engaged or dismissed by the Board of Directors proposed by the chairman of Board of Directors.

(5) propose member candidates of the special committees of the Board of Directors;

(6) sign important documents of the Board of Directors and other documents that shall be signed by the legal representative of the Company;

(7) in emergency situations such as natural disasters and other force majeure, exercise the special handling right on the affairs of the Company in compliance with the law and the interests of the Company, and report to the Board of Directors or shareholders' general meeting afterwards;

(8) exercise the functions and powers of the Company's legal representative;

(9) other matters authorised by the Board of Directors.

Article 182 The chairman of Board of Directors exercises functions and powers conferred by the Board of Directors in the closing period of board meetings.

Article 183 The vice chairman of Board of Directors assists the chairman of Board of Directors to work, where the chairman of Board of Directors is unable to perform duties or fails to perform

duties, the vice chairman of Board of Directors shall perform duties; where the vice chairman of Board of Directors is unable to perform duties or fails to perform duties, more than half of the directors shall elect one director to perform duties.

Section V Special Committee of the Board of Directors

Article 184 In order to fully perform duties, the Board of Directors sets up the Board Nomination and Remuneration Evaluation Committee, Board Risk Management and Related Transaction Control Committee, Board Development Strategy Committee and Board Audit Committee, may also set up other special committees as needed. The special committees of the Board of Directors are responsible for the Board of Directors, the members are nominated by the chairman of Board of Directors and elected by the Board of Directors, and the number of people is not less than three (3). According to the actual circumstances, the Board of Directors may decide the merge and establishment of the relevant committees. The term of office of committees is the same as the Board of Directors, and members may, if re-elected upon expiration of the term of office, serve consecutive terms.

The chiefs of Board Risk Management and Related Transaction Control Committee, Board Nomination and Remuneration Evaluation Committee and Board Audit Committee are undertaken by independent directors. Independent directors occupy the majority of Board Risk Management and Related Transaction Control Committee, Board Nomination and Remuneration Evaluation Committee and Board Audit Committee. The directors nominated by controlling shareholders shall not be the members of Board Risk Management and Related Transaction Control Committee, Board Nomination and Remuneration Evaluation Committee. The special committees of the Board of Directors shall each have one (1) secretary, responsible for the daily work contact of committees and the meeting preparation of committees.

Article 185 The Board Nomination and Remuneration Evaluation Committee are primarily responsible for:

- (1) formulating the conditions of service, criteria and selection procedures for directors and senior management personnel;
- (2) performing preliminary assessment on the service qualifications and conditions of directors and senior management personnel, and make recommendations to the Board of Directors;
- (3) putting forward qualified candidates of independent directors to the Board of Directors;
- (4) formulating, implementing remuneration and incentive measures and schemes of senior management personnel of the Company;
- (5) developing performance review standards of the Company's senior management personnel, and report assessment results to the Board of Directors;

(6) checking and deciding the amount of annual incentive salaries distributed to the Company's senior management personnel, operating and management personnel and employees;

(7) other matters authorised by the Board of Directors.

Article 186 Board Risk Management and Related Transaction Control Committee are primarily responsible for:

(1) supervising the risk control in terms of the credit, market, and operations of the Company's senior management personnel;

(2) making regular assessment of the risk status of the Company;

(3) putting forward a sound risk management advice;

(4) reviewing the asset and liability management policies of the Company;

(5) putting forward a sound advice on risk management and internal control;

(6) collecting, compiling lists and information of related parties of the Company;

(7) inspecting and supervising the control of the Company's related party transactions, and the implementation of related party transactions control system by the Company's directors, senior management personnel, the related parties, and report to the Board of Directors;

(8) approving or making preliminary review on matters that shall be approved or preliminary reviewed by Board Risk Management and Related Transaction Control Committee in accordance with the Articles of Association and other internal rules of the Company, keeping records of the relevant matters, and reporting to the Board of Directors as required;

(9) other matters authorised by the Board of Directors.

Article 187 The Board Development Strategy Committee is primarily responsible for:

(1) Researching and providing advice on the long and medium term development strategies of the Company;

(2) Researching and providing advice on material investment and financing programmes, material capital operations and asset operating projects that shall be approved by the Board of Directors according to the Articles of Association;

(3) Researching and providing advice on other significant matters affecting the development of the Company;

(4) formulating the annual business targets of the Company;

(5) supervising and inspecting the implementation of senior management personnel on the long and medium term development plan, annual business targets, investment and financing programmes, and capital operation programmes;

(6) other matters authorised by the Board of Directors.

Article 188 The Board Audit Committee is primarily responsible for:

(1) examining the accounting policies, financial condition and financial reporting procedures of the Company;

(2) reviewing the financial information and its disclosure of the Company;

(3) overseeing the internal control system and its implementation of the Company;

(4) supervising and evaluating the Internal Audit Department;

(5) Proposing the appointment or replacement of the accounting firm;

(6) Coordinating the internal and external audit work of the Company;

(7) other matters authorised by the Board of Directors.

Article 189 The Board of Directors formulates the rules of procedure and working duties of all committees, and all committees formulate the annual working plan and regularly hold meetings.

Article 190 All special committees may engage external agencies to offer professional opinions, and related fees are borne by the Company.

Section VI Secretary of the Board of Directors

Article 191 The Board of Directors shall have board secretary to be responsible for the Board of Directors. The board secretary is the senior management personnel of the Company.

The board secretary shall comply with the relevant provisions of laws and administrative regulations, departmental rules and the Articles of Association.

Article 192 The board secretary shall be a natural person that has the necessary professional expertise and experience, commissioned by the Board of Directors.

Article 193 The board secretary of the Company shall meet the following conditions:

(1) having good work ethic and personal qualities ;

- (2) having the financial, management, legal and other expertise necessary for performing duties ;
- (3) having the working experiences necessary for performing duties, including but not limited to company management experiences and the experiences working in banks ;
- (4) meeting the conditions to serve as the board secretary required by the Stock Exchange in which the shares are listed;
- (5) meeting the service qualifications required by the banking regulatory authority of the State Council.

Article 194 The directors or other senior management personnel can concurrently serve as the board secretary. The accountants of the accounting firm engaged by the Company shall not concurrently serve as the board secretary.

When a director concurrently serves as the board secretary, if an act should be done by a director and board secretary separately, the person acting as the director and board secretary shall not act in double identities.

Article 195 The primary duties of the board secretary are:

- (1) ensuring that the Company has complete organizational documents and records;
- (2) ensuring that the Company prepares and submits reports and documents required by competent authorities in accordance with laws;
- (3) ensuring that the register of shareholders of the Company is properly maintained to ensure that the person entitled to obtaining the relevant records and documents of the Company can get the relevant records and documents in a timely manner ;
- (4) responsible for the information release of the Company, and preparing and submitting the reports and documents issued by the Board of Directors and shareholders' general meeting required by related national authorities; ;
- (5) organizing and preparing the board meetings and shareholders' general meeting, and is responsible for organizing the custody of the meeting documents and records ;
- (6) responsible for drafting board documents and related rules and regulations;
- (7) responsible for information disclosure of the Company, and taking effective measures to ensure that the information disclosure is timely, accurate, legitimate, true and complete;
- (8) assisting the Board of Directors of the Company to strengthen the construction of corporate governance;
- (9) responsible for the investor relations management of the Company, improving the

communication, reception and service mechanism of the Company with investors;

(10) responsible for the equity management affairs of the Company, including safekeeping share-holding materials of the shareholders of the Company, urging the directors, supervisors, senior management personnel and other relevant personnel to comply with the relevant provisions about the shares trading of the Company etc. ;

(11) assisting the Board of Directors of the Company to develop the capital market development strategy, assist in planning or implementing the capital market refinancing or mergers and acquisitions transactions of the Company;

(12) responsible for the normal operation of the training affairs, organizing the directors, supervisors, senior management personnel and other relevant personnel to receive trainings on relevant laws and regulations and other normative documents ;

(13) urging the directors, supervisors and senior management personnel of the Company to fulfil the faithful and diligence obligations. When knowing the foresaid personnel violating relevant laws and regulations, or other normative documents or the Articles of Association to make or possibly make the relevant decisions, shall give cautions and immediately report to the Stock Exchange ;

(14) other matters authorised by the Board of Directors ;

(15) other duties that shall be performed required by the *Company Law*, the securities regulatory authority of the State Council, the banking regulatory authority of the State Council, and the Stock Exchange in which the shares are listed.

Article 196 The board secretary is nominated by the chairman of Board of Directors, and appointed or dismissed by the Board of Directors after receiving the approval of his/her service qualification permission from the banking regulatory authority of the State Council. The term of office of the board secretary is the same as the Board of Directors.

Article 197 The board secretary could concurrently serve as the chief of the office of Board of Directors, responsible for the work of the office of Board of Directors and the daily management work of each committee secretary.

Article 198 The Board of Directors of the Company may engage securities affairs representative, to assist the board secretary to perform duties.

Chapter IX President and Other Senior Management Personnel

Article 199 The Company shall have one (1) president, nominated by the chairman of Board of Directors, and appointed or dismissed by the Board of Directors.

The Company shall have a number of vice presidents, nominated by the president, appointed or dismissed by the Board of Directors.

The president, vice president, assistant to the president, financial officer, board secretary and other persons determined by the Board of Directors are the senior management personnel of the Company.

The service qualifications of senior management personnel should be reported to the banking regulatory authority of the State Council for approval.

Article 200 The faithful obligations stipulated in the Article 136 of Section I of Chapter VIII and the diligence obligations stipulated in the Item (4), (6), (9) of Article 137 of Section I of Chapter VIII of the Articles of Association shall also apply to senior management personnel.

Article 201 The persons who assume the office of other positions except for directors in the companies of the Company's controlling shareholders and actual controllers shall not serve as the senior management personnel of the Company.

Article 202 Each term of office of the president and other senior management personnel is three (3) years, and may serve consecutive terms if re-elected, and must have off-office auditing when leaving.

Article 203 The president is responsible for the Board of Directors, and shall exercise the following functions and powers:

- (1) presiding over the Company's daily operation management, organizing and implementing the board resolutions, and report to the Board of Directors;
- (2) organizing and implementing the annual operation plan and investment plan approved by the Board of Directors;
- (3) preparing the establishment and dissolution and merger of the internal management departments and outlets of the Company;
- (4) formulating the basic management system of the Company, developing specific regulations, procedures;
- (5) proposing the appointment or dismissal of other senior management personnel to the Board of Directors other than those who should be appointed or dismissed by Board of Directors upon the proposal of the chairman of Board of Directors ;
- (6) appointing or dismissing the management personnel other than those who should be appointed or dismissed by the Board of Directors or whose appointment or dismissal should be approved by the Board of Directors;
- (7) authorizing senior management members, internal functional departments and personnel in

charge of branches to be engaged in business activities;

(8) determining the emoluments, welfares, and the imposition of any disciplinary measures of employees of the Company;

(9) determining the employment and dismissal of employees of the Company;

(10) other functions and powers conferred by the Articles of Association, the Board of Directors, and the chairman of Board of Directors.

The non-director president could attend board meetings, but has no voting right at board meetings.

Article 204 The senior management personnel should establish a system to regularly report to the Board of Directors, to promptly, accurately and completely report the signing and implementation of material contracts of the Company, and the use of funds, financial status, risk condition, operation performance, business prospects, as well as material litigation, and guarantee matters. The president must ensure the authenticity of the reports.

When proposing decisions on wages, welfares, safety and labour protection and labour insurance, non-reappointment (or dismissal) of the employees of the Company and other issues involving the vital interests of employees, the president should listen to the views of the labour union in advance.

Article 205 The president shall establish working rules that shall be implemented after the approval of the Board of Directors.

Article 206 The working rules of the president includes the following:

(1) the condition, procedures and participating personnel of the president meeting;

(2) the specific responsibilities and work division of the president and other senior management personnel;

(3) the authority of funds and asset utilization, and signing material contracts, and the reporting system to the Board of Directors and the Board of Supervisors;

(4) other matters that the Board of Directors considers necessary.

Article 207 The senior management personnel shall accept the supervision of the Board of Supervisors, and regularly provide the operation management and financial status and other information of the Company to the Board of Supervisors, and shall not obstruct and impede the inspection, auditing and other activities of the Board of Supervisors according to its functions and powers. When the Board of Supervisors undertakes the performance of duties, the senior management personnel shall give cooperation, and give responsible treatment for matters which

are doubted or are ordered to rectify by the Board of Supervisors.

Article 208 The senior management personnel may resign before the expiration of the term of office. The specific procedures and measures about the resignation of senior management personnel are stipulated by the labour contracts between the senior management personnel and the Company. The senior management personnel could leave only after finishing the off-office auditing conducted by the Board of Supervisors.

Article 209 The senior management of the Company should establish and improve the internal control mechanisms with internal rules and regulations, operational risk control system, credit approval system as the main contents based on the needs of the business activities of the Company.

The president of the Company shall not be a member of the Credit Review Committee, but has the veto power on the credit decision passed by the Credit Review Committee.

Article 210 At the end of the operation year or upon the necessity considered by the Board of Directors, the senior management should report on his work to the Board of Directors.

Article 211 At the time of major emergencies such as a bank run that may occur in the Company, the president should take urgent measures, and immediately report to the People's Bank of China, banking regulatory authority of the State Council, and the Board of Directors and Board of Supervisors.

Article 212 The senior management personnel that violate laws, administrative regulations, departmental rules or the Articles of Association and cause losses to the Company in performing duties of the Company shall be liable for compensations.

Chapter X Board of Supervisors

Section I Supervisor

Article 213 The supervisors are assumed by shareholder representatives, the staff representatives of the Company and the external supervisors elected by the shareholders' general meeting. The shareholder supervisors and external supervisors are elected or replaced from the shareholders' general meeting; staff representatives assuming the office of supervisors are elected or replaced by the staff representatives assembly, the general staff meeting or other forms of democratic elections.

Article 214 The way and procedures for nomination of supervisions are as follows:

(1) The shareholder supervisor candidates are nominated by the Board of Supervisor or the shareholders that individually or jointly hold more than three percent (3%) voting shares of the Company, external supervisor candidates are nominated by the Board of Supervisor or the shareholders that individually or jointly hold more than one percent (1%) voting shares of the Company, and staff supervisor candidates are nominated by the Board of Supervisor or the labour

union of the Company;

(2) The supervisor candidate shall make a written commitment before the shareholders' general meeting to accept the nomination, and undertake that the information provided are true and complete, and ensure that he/she will earnestly discharge his duties as a supervisor upon the appointment;

(3) A shareholder shall not simultaneously nominate directors and supervisors to the shareholders' general meeting; if a supervisor candidate nominated by one shareholder has held the office as a supervisor, before the expiration of his/her term of office, the shareholder shall not nominate any director candidate.

The number of supervisors nominated by the same shareholders and their associates, in principle, shall not exceed one third (1/3) of the total number of members of the Board of Supervisors, and if exemption is needed due to special ownership structure, such application should be submitted to the banking regulatory authority of the State Council and explain the reasons.

Article 215 Supervisors should have expertise or work experience in law, accounting and other aspects. The personnel and structure of Board of Supervisors should be able to ensure the Board of Supervisors' independent and effective exercise of the supervision and inspection on directors and senior management personnel and the finance personnel of the Company.

The directors, president, and senior management personnel shall not concurrently serve as supervisors.

Article 216 The supervisors shall comply with the laws, administrative regulations and the Articles of Association, and bear the faithful obligations and diligence obligations to the Company, and shall not take illegitimate benefits by making use of the position, and not seize the properties of the Company.

Where supervisors have the following serious misconducts, the Board of Supervisors should recommend the shareholders' general meeting, the staff representatives assembly for removal:

(1) deliberately disclosing the trade secrets of the Company, and impair the legal interests of the Company;

(2) accepting illegitimate benefits in the course of the performance of duties, or use the position of supervisors for personal gain;

(3) should find problems but be unable to find in supervision or hidden problems that are found, resulting in significant losses to the Company;

(4) other serious misconducts stipulated in laws and the Articles of Association of the Company.

Article 217 The term of office of supervisors is three (3) years. A supervisor may, if re-elected upon expiration of the term of office, serve consecutive terms. Before the expiration of the term, the shareholders' general meeting and the staff representatives assembly cannot dismiss the supervisor from his post without cause.

Article 218 Where a supervisor neither personally attends the supervisor meeting for two (2) consecutive times without special reasons, nor appoints another supervisor to attend the supervisor meeting, he/she shall be deemed not to perform the duties, and the shareholders' general meeting or the staff representatives assembly, the general staff meeting or other bodies democratically electing staff supervisors shall replace him.

Article 219 The supervisor may resign before the expiration of his/her term, and the provisions about the resignation of directors in Chapter VIII of the Articles of Association shall apply to supervisors.

Article 220 Where no election is conducted in time before the expiration of the term of office of a supervisor, or the number of the supervisors in the Board of Supervisors of the Company is less than the statutory number due to the resignation of a supervisor within his/her term of office, the existing supervisor shall, before the supervisor elected takes office, continue to perform his/her duty as a supervisor in accordance with laws, administrative regulations, and departmental rules and the Articles of Association.

After a supervisor is elected by the shareholders' general meeting, his/her service qualifications should be approved by the banking regulatory authority of the State Council in accordance with the requirements of relevant laws and regulations and the banking regulatory authority of the State Council.

Article 221 Supervisors shall ensure that the disclosed information of the Company is true, accurate and complete.

Article 222 A supervisor may attend board meetings, and may inquire about or put forth proposals on matters on which resolutions have been or are to be adopted by the Board of Directors.

Article 223 The supervisor shall not use their connected relationship to impair the interests of the Company, in the event of losses to the Company, the supervisor shall be liable for compensations.

Article 224 The supervisors that violate laws, administrative regulations, departmental rules or the Articles of Association and cause losses to the Company in performing duties of the Company shall be liable for compensations.

Section II External Supervisor

Article 225 External supervisors shall meet the conditions of the banking regulatory authority of the State Council. The election procedures for external supervisors refer to the provisions about

the election procedures for independent directors in Article 150 of Section II of Chapter VIII of the Articles of Association.

The same shareholder can only nominate one (1) external supervisor candidate, and shall not nominate independent director and external supervisor at the same time.

The duration for an external supervisor to hold the post in the Company cannot exceed an accumulation of six (6) years.

Article 226 The working hours of an external supervisor for the Company shall not be less than fifteen (15) working days every year. Where an external supervisor attends less than 2/3 of the total meetings of the Board of Supervisors in one year, nor personally attends the meeting of the Board of Directors or appoints another supervisor to attend the meeting of the Board of Supervisors for two (2) consecutive times, or has serious misconducts, the Board of Supervisors shall recommend the shareholders' general meeting for dismissal.

An external supervisor shall make declaration to the Board of Supervisors before the inauguration, to ensure he/she has sufficient time and effort to perform his/her duties, and promise to be diligent and fulfil the duties. An external supervisor shall not concurrently serve in more than two (2) commercial banks, and shall not serve as an external supervisor in a financial institution that may have a conflict of interest.

Article 227 The following circumstances of external supervisors should be considered as serious misconducts:

- (1) disclosing the trade secrets of the Company, and impair the legal interests of the Company;
- (2) accepting illegitimate benefits in the course of the performance of duties;
- (3) using the position of external supervisor for personal gain;
- (4) should find problems but be unable to find in supervision or hidden problems that are found, resulting in significant losses to the Company;
- (5) other serious misconducts considered by the banking regulatory authority of the State Council.

Article 228 When all the external supervisors of the Company agree unanimously, it entitled to a written proposal to the Board of Supervisors to submit a proposal to the Board of Directors to hold a shareholders' general meeting or an extraordinary general meeting of shareholders. The Board of Supervisors shall give a feedback of agreement or disagreement in a written form after the receipt of the proposal.

Article 229 The Company shall pay allowances to external supervisors. The expenses needed by external supervisor in the performance of duties shall be borne by the Company.

Section III Board of Supervisors

Article 230 The Company shall have a Board of Supervisors. The Board of Supervisors is the Company's supervision body, and independently exercises supervision functions, responsible for the shareholders' general meeting.

Article 231 The Board of Supervisors consists of five (5) to nine (9) supervisors, including the supervisors as shareholder representatives, and external supervisors and the supervisors as the staff representatives. The Board of Supervisors has one (1) chairman, one (1) vice chairman, and the number of external supervisors shall be not less than one third (1/3) of the total number of supervisors.

The Board of Supervisors shall include shareholder representatives and a certain proportion of staff representatives of the Company, and the proportion of staff representatives shall not be less than one third (1/3) of the total number of supervisors. The shareholder representatives are elected and dismissed by the shareholders' general meeting, and the staff representatives are elected by the staff and workers of the Company through the staff representatives assembly, the general staff meeting or other democratic forms.

Article 232 The Board of Supervisors shall exercise the following functions and powers:

(1) reviewing the regular reports formulated by the Board of Directors of the Company and putting forth written review opinions on the truth, accuracy and completeness of reports;

(2) inspecting and supervising the financial activities of the Company;

(3) supervising and evaluating the performance of directors and senior management personnel of the Company on their duties, reporting the assessment results and reasons for the performance of duties of the directors and senior management personnel to the banking regulatory authority of the State Council within four (4) months after the end of each year, and reporting the assessment results for the performance of duties of the directors and senior management personnel to the shareholders' general meeting; the performance assessment work is carried out at least once a year; proposing dismissal advice for the directors and senior management personnel that violate laws, administrative regulations, the Articles of Association or resolutions of shareholders' general meeting;

(4) when the acts of directors and senior management personnel impair the interests of the Company, requiring the directors and senior management personnel to rectify, and entitled to reporting to the shareholders' general meeting or the relevant regulatory authority according to laws;

(5) making self-assessment on the work of the Board of Supervisors and make assessment on the performance of duties of supervisors, reporting the results and reasons for self-assessment of the Board of Supervisors and the assessment of the performance of duties of the supervisors to the banking regulatory authority of the State Council within four (4) months after the end of each

year, and report the assessment results to the shareholders' general meeting;

(6) propose to hold an extraordinary general meeting of shareholders, and convene and preside over shareholders' general meeting when the Board of Directors doesn't perform its duties to convene and preside over the shareholders' general meeting in accordance with the *Company Law* ;

(7) putting forth proposals to shareholders' general meeting ;

(8) attending the board meetings and the meetings of special committees of the Board of Directors, and may inquire about or put forth proposals on matters on resolutions of the meetings;

(9) conducting off-office auditing on senior management personnel;

(10) inquiring into the directors, Board of Directors, and senior management personnel;

(11) reviewing the Company's profit distribution programme, and putting forth written review opinions on the compliance and rationality of the profit distribution programme ;

(12) supervising the compliance, engagement terms of the appointment, dismissal, reappointment of the accounting firm and the fairness of remunerations as well as the independence and effectiveness of the external audit work;

(13) supervising the Company's financial activities, business decisions, risk management and internal control ;

(14) taking legal proceedings against directors and senior management personnel in accordance with Article 152 of the *Company Law*;

(15) investigating any irregularities in the operations of the Company; when necessary, may engage accounting firms, law firms and other professional firms to assist the work; and

(16) other functions and powers conferred by the Articles of Association and the shareholders' general meeting.

Article 233 All reasonable expenses for the engagement of lawyers, certified accountants, auditors and other professionals when the Board of Supervisors exercises functions and powers shall be borne by the Company.

Article 234 When finding the Board of Directors and senior management personnel do not exercise the accountant prudence principle, the Board of Supervisors shall order to rectify. When finding abnormal fluctuation in the business of the Company, the Board of Supervisors shall inquire into the Board of Directors or senior management personnel.

Article 235 When finding the Board of Directors, senior management and their members violate

laws, administrative regulations, the Articles of Association of the Company and other circumstances, the Board of Supervisors shall recommend disciplinary actions against those who are responsible, and issue timely notice of the rectification within a definite time; the Board of Directors and senior management personnel shall perform timely disciplinary actions or rectification, and report the results to the Board of Supervisors in a written form.

Article 236 The Board of Supervisors discusses matters in the form of the meeting of Board of Supervisors. The Board of Supervisors shall hold a meeting for every six (6) months. The meeting notice shall be delivered to all supervisors ten (10) days before the meeting. Supervisors may propose to hold an interim meeting of Board of Supervisors.

The motions on the meeting of Board of Supervisors is discussed and voted by Board of Supervisors term by term. The resolutions of the Board of Supervisors shall be passed by more than two thirds (2/3) of supervisors through voting.

When all external supervisors of the Company consider the motion materials on the meeting of Board of Supervisors are insufficient or unclear, they may jointly request to postpone to convene the meeting of Board of Supervisors or postpone the deliberation on relevant motions, and the Board of Supervisors shall adopt it.

Article 237 The Board of Supervisors formulates the rules of procedure of Board of Supervisors, clearly indicates the discussion rules and voting procedures of the Board of Supervisors, to ensure the work efficiency and scientific decision-making of the Board of Supervisors.

Article 238 The Board of Supervisors shall make meeting minutes for all decisions of matters discussed at the meeting, and the attending supervisors and the recorder shall sign on the minutes.

The supervisors shall have the rights to require making explanatory notes on the minutes on their speech at the meeting.

Article 239 The meeting notice of the meeting of Board of Supervisors includes the following:

- (1) the time, place and duration of the meeting ;
- (2) the subject matter and topics;
- (3) the date of the notice;
- (4) other matters stipulated in the rules of procedure of the Board of Supervisors of the Company.

Article 240 The office of Board of Supervisors is a working body under the Board of Supervisors of the Company, as a daily working body of the Board of Supervisors, it is mainly responsible for the preparation of the meeting of the Board of Supervisors and the special committees, and files

management and so on.

Article 241 The Board of Supervisors has one (1) office chief, nominated by the chairman of Board of Supervisors and appointed by Board of Supervisors, responsible for the daily management work of the office of Board of Supervisors and secretaries of all special committees.

Article 242 The Board of Supervisors shall report work to the shareholders' general meeting at least one (1) time each year, and the report contents include :

(1) the supervision on the performance of duties, financial activities, internal control, and risk management of Board of Directors and senior management personnel of the Company and their members ;

(2) performance of work of the Board of Supervisors ;

(3) issuance of independent opinions on relevant matters ;

(4) other matters that the Board of Supervisors considers necessary to report to shareholders' general meeting.

Article 243 When the Board of Directors and senior management personnel and their members refuse or delay to take appropriate measures on the resolutions, comments and suggestions of Board of Supervisors, the Board of Supervisors shall have the right to report to shareholders' general meeting, or propose to convene an extraordinary general meeting of shareholders, if necessary, report to the regulatory authority.

Article 244 The staff supervisors also shall accept the supervision from the staff representatives assembly, the general staff meeting or other democratic form, and regularly report work to the staff representatives assembly.

Section IV Chairman of Board of Supervisors

Article 245 The appointment and dismissal of the chairman of Board of Supervisors shall passed by two thirds (2/3) of the members of the Board of Supervisors through voting. The vice chairman of the Board of Supervisors shall be elected by more than half (1/2) of all the supervisors. The chairman of the Board of Supervisors shall convene and preside over the meeting of the Board of Supervisors; and where the chairman of the Board of Supervisors cannot perform such functions or fails to do so, the vice chairman of the Board of Supervisors shall convene and preside over the meeting of the Board of Supervisors; and where the vice chairman of the Board of Supervisors cannot perform such functions or fails to do so, a supervisor jointly elected by more than half (1/2) of the supervisors shall convene and preside over the meeting of the Board of Supervisors.

Article 246 In addition to the general conditions as supervisors, the chairman and vice chairman of Board of Supervisors must have professional knowledge and work experience in at least one aspect of accounting, audit, finance, and law.

Article 247 The chairman of Board of Supervisors exercise the following functions and powers :

- (1) convening and presiding over the meeting of Board of Supervisors ;
- (2) supervising and inspecting the implementation of resolutions of Board of Supervisors ;
- (3) examining and signing documents related to the Board of Supervisors ;
- (4) reporting the work of Board of Supervisors to shareholders' general meeting on behalf of the Board of Supervisors ;
- (5) organizing the performance of duties of Board of Supervisors, and organizing the formulation of work plan of Board of Supervisors and the implementation of decisions of Board of Supervisors ;
- (6) other functions and powers conferred by the Board of Supervisors ;
- (7) other duties stipulated in laws, regulations, and the Articles of Association.

Article 248 The chairman of Board of Supervisors exercises functions and powers conferred by the Board of Supervisors when the meeting of Board of Supervisors is not in session.

Section V Special Committee of the Board of Supervisors

Article 249 In order to intensify the supervision, the Board of Supervisors sets up the Nomination Committee of Board of Supervisors and Supervision and Evaluation Committee of Board of Supervisors, and may also set up other special committees as needed. The special committees of the Board of Supervisors are responsible for the Board of Supervisors, the members are nominated by the chairman of Board of Supervisors and elected by the Board of Supervisors, and the number of people is not less than three (3). The term of office of committees is the same as the Board of Supervisors, and the members may, if re-elected upon expiration of the term of office, serve consecutive terms.

The chiefs of the Nomination Committee of Board of Supervisors and Supervision and Evaluation Committee of Board of Supervisors shall be external supervisors. All special committees of the Board of Supervisors shall have one (1) secretary, responsible for the daily work contact of committees and the meeting preparation of committees.

Article 250 The Nomination Committee of Board of Supervisors is primarily responsible for :

- (1) preparing the conditions of service, criteria and selection procedures for supervisors;
- (2) making preliminary assessment on the service qualifications and conditions of the candidate supervisors nominated by shareholders, and making recommendations to the Board of Supervisors;
- (3) nominating qualified external supervisor candidates and recommending supervisors to the

Board of Supervisors ;

(4) according to the operational and management status, total asset value and shareholding structure of the Company, making recommendations to the Board of Supervisors on the size and composition of the Board of Supervisors ;

(5) other matters authorised by the Board of Supervisors.

Article 251 The Supervision and Evaluation Committee of Board of Supervisors is primarily responsible for :

(1) supervising the directors, senior management personnel to perform their duties and diligence obligations and formulating relevant regulations, and submitting them to the Board of Supervisors for deliberation and then organizing the implementation ;

(2) formulating and implementing the off-office auditing programme on senior management personnel of the Company and submitting it to the Board of Supervisors for approval and then organizing the implementation;

(3) supervising the financial activities, business decisions, risk management and internal control of the Company in accordance with relevant working rules of Board of Supervisors, and making recommendations;

(4) tracking the formulation of regular reports of the Board of Directors and relevant material adjustments, and reporting to the Board of Supervisors ;

(5) making recommendations on the supervision of the accounting firm engaged by the Company based when necessary ;

(6) other matters authorised by the Board of Supervisors.

Chapter XI Qualifications and Obligations of Directors, Supervisors, President and Other Senior Management Personnel

Article 252 None of the following persons shall serve as a director, supervisor, president or other senior management personnel of the Company:

(1) a person who has no or limited capacity for civil conduct ;

(2) a person has been sentenced to any criminal penalty due to an offence of corruption, bribery, encroachment of property, misappropriation of property or disrupting the economic order of the socialist market economy and five (5) years have not passed since the completion date of the execution of the penalty; or a person has ever been deprived of his political rights due to any crime and five (5) years have not passed since the completion date of the execution of the penalty ;

(3) a person who, being a director or the head or manager of a company or enterprise that went

into bankruptcy and liquidation, was personally liable for the bankruptcy of the said company or enterprise, where less than three (3) years have passed since the completion date of liquidation of the company or enterprise ;

(4) a person who, being the legal representative of a company or an enterprise, the business license of which was revoked for violation of laws and which was ordered to close down, was personally liable for the above, where less than three (3) years have passed from the date the business license of the company or enterprise was revoked ;

(5) a person who fails to liquidate a relatively large amount of personal debts due ;

(6) a person who is subject to investigation by judicial body for violation of criminal law where the said investigation has not yet been concluded;

(7) a person who is not eligible for enterprise leadership according to the laws and administrative regulations ;

(8) a person who is not a natural person ;

(9) a person who has been convicted of contravention of provisions of relevant securities regulations by a relevant competent authority, and such conviction involves a finding that he/she has acted fraudulently or dishonestly, where less than five (5) years have passed since the date of the conviction;

(10) a person who is subject to a penalty of prohibition from engaging in stock market activities imposed by the securities regulatory authority of the State Council, where the term of the penalty has not yet expired;

(11) a person who is subject to a prohibition from engaging in market activities imposed by the banking regulatory authority of the State Council, where the prohibition has not yet removed;

(12) any other circumstances as prescribed by the laws, administrative regulations, and departmental rules.

Where the Company elects or appoints the directors in violation of the provisions of this article, such election, appointment or engagement shall be invalid. Where, during his/her term of office, a director, supervisor, president or other senior management personnel is found to be a person as specified in this article, the Company shall remove him from office.

Article 253 The validity of an act of the director, president, and any other senior management personnel on behalf of the Company to any bona fide third party is not affected by any irregularity in his term of office, election or qualification.

Article 254 In addition to obligations imposed by the laws, administrative regulations or listing

rules of the stock exchanges on which the Company's shares are listed, the Company's directors, supervisors, president and other senior management personnel shall owe the following duties to each shareholder, in the exercise of the functions and powers of the Company granted to him/her

(1) Not to cause the Company to carry out any business outside the scope of business stipulated in its business license ;

(2) To act honestly in the best interests of the Company ;

(3) Not to expropriate the Company's property in any way, including (but not limited to) opportunities advantageous to the Company ;

(4) Not to expropriate individual rights of shareholders, including (but not limited to) rights of distribution and voting rights, but not including a restructuring of the Company submitted to shareholders' general meeting for approval in accordance with the Articles of Association.

Article 255 The Company's director, supervisor, president and other senior management personnel shall owe a duty, in the exercise of his/her powers and discharge of his/her duties, to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Article 256 The Company's director, supervisor, president and other senior management personnel shall exercise his/her powers or carry out his/her duties in accordance with the principle of honesty and shall not put himself/herself in a position where his/her duty and his/her interest may conflict. Such principle includes (but not limited to) fulfilling the following obligations :

(1) To act honestly in the best interests of the Company ;

(2) To exercise rights within the scope of his/her functions and powers and not to exceed ;

(3) To exercise the discretion vested in him/her personally and not to allow himself/herself to act under the control of another and, unless and to the extent permitted by the laws, administrative regulations or with the informed consent of shareholders given in a shareholders' general meeting, not to delegate his/her power of discretion ;

(4) To treat shareholders of the same class equally and to treat shareholders of different classes fairly ;

(5) Except in accordance with the Articles of Association or with the informed consent of shareholders given in shareholders' general meeting, not to enter into any contract, transaction or arrangement with the Company ;

(6) Without the informed consent of shareholders given in shareholders' general meeting, not to use the Company's property for his/her own benefit by any means ;

(7) Not to exploit his/her position to accept bribes or other illegal income or expropriate the

Company's property by any means, including (but not limited to) opportunities advantageous to the Company ;

(8) Without the informed consent of shareholders given in shareholders' general meeting, not to accept commissions in connection with the Company's transactions ;

(9) To abide by the Articles of Association, faithfully perform his/her duties and protect the Company's interests, and not to exploit his/her position and power in the Company to advance his/her own private interests ;

(10) Not to compete with the Company in any form without the consent of shareholders given in shareholders' general meeting ;

(11) Not to misappropriate the Company's funds or to lend the Company's funds to others, not to open accounts in his/her own name or other names for the deposit of the Company's assets and not to use the Company's assets to guarantee the shareholders of the Company and other personal debts;

(12) Unless otherwise permitted by informed shareholders in shareholders' general meeting, to keep information relating to the Company acquired by him/her in the course of and during his/her tenure in confidence and not to use such information for purposes even in furtherance of the interests of the Company, save that disclosure of such information to the court or other governmental authorities is permitted if:

1. the disclosure is made pursuant to the law;
2. public interests require the disclosure;
3. the interests of the relevant director, supervisor, president and other senior management personnel require disclosure.

Article 257 The director, supervisor, president and other senior management personnel of the Company shall not cause the following persons or entities ("associates") to do what he/she is prohibited from doing :

(1) The spouse or minor child of that director, supervisor, president and other senior management personnel of the Company ;

(2) The director, supervisor, president and other senior management personnel of the Company and a trustee of any persons referred to in Item (1) of this article ;

(3) The director, supervisor, president and other senior management personnel of the Company or any person has partnership with those referred to in Item (1) and (2) of this article ;

(4) A company controlled by the director, supervisor, president and other senior management personnel of the Company solely or jointly with those persons referred to in Item (1) , (2) ,

(3) above in fact;

(5) The director, supervisor, president, and other senior management personnel of the controlled company referred to in Item (4) of this article.

Article 258 The fiduciary duties of the director, supervisor, president, and other senior management personnel of the Company do not necessarily cease with the termination of their tenure. The duty of confidence in relation to business of the Company survives after the termination of their tenure. Other duties may continue for such period as fairness depending on the time lapse between the termination of tenure and the occurrence of the event concerned and the circumstances and conditions of the termination of the relationship with the Company.

Article 259 Except for circumstances prescribed in Article 67 of Chapter V of the Articles of Association, a director, supervisor, president and other senior management personnel of the Company may be relieved of liability for specific breaches of his/her duty by the informed consent of shareholders given at a shareholders' general meeting.

Article 260 Where a director, supervisor, president and other senior management personnel of the Company is in any way, directly or indirectly, materially interested in a contract, transaction or arrangement made or proposed to be made with the Company (other than the employment contracts of the director, supervisor, president and other senior management personnel with the Company), he/she shall declare the nature and extent of his/her interests to the Board of Directors at the earliest opportunity, whether or not the contract, transaction or arrangement or proposal therefor is otherwise subject to the approval of the Board of Directors.

Unless the interested director, supervisor, president and other senior management personnel has disclosed his/her interests in accordance with this article, and the contract, transaction or arrangement is approved by the Board of Directors at a meeting in which the interested director, supervisor, president and other senior management personnel concerned are not counted in the quorum and refrained from voting, the Company is entitled to rescind the contract, transaction or arrangement except as against a bona fide third party thereto acting without knowing the breach of duty by the interested director, supervisor, president and other senior management personnel.

A director, supervisor, president and other senior management personnel of the Company is deemed to be interested in a contract, transaction or arrangement in which an associate of the director, supervisor, president and other senior management personnel is interested.

Article 261 Before the date on which the question of entering into the relevant contract, transaction or arrangement is first taken into consideration on behalf of the Company, a director, supervisor, president and other senior management personnel of the Company gives to the Board of Directors a general notice in writing stating that, due to the contents specified in the notice, he/she is interested in such contract, transaction or arrangement of the Company, the director, supervisor, president and other senior management personnel shall be deemed as the completion of disclosures specified in the Article 260 of the Articles of Association within the scope of the declarations of such notice.

Article 262 The Company shall not in any manner pay taxes for or on behalf of its directors, supervisors, president, and other senior management personnel.

Article 263 The Company shall not directly or indirectly make a loan or a loan guarantee to a director, supervisor, president and other senior management personnel of the Company under lower business conditions than the normal, or any of the respective associates of the aforementioned persons.

However, the preceding stipulations shall not apply to the following:

(1) A loan or a loan guarantee offered by the Company to its subsidiary to the subsidiary of the Company ;

(2) In accordance with the terms of an employment contract approved by the shareholders' general meeting, a loan or a loan guarantee or any other funds provided to a director, supervisor, president and other senior management personnel of the Company, to meet expenditure incurred for the purposes of the Company or for the purpose of enabling him/her to perform his/her duties;

Article 264 If a loan made by the Company in breach of the above provision, the receiver of the loan shall repay it immediately regardless of the terms of the loan.

Article 265 For the purposes of the foregoing provisions of this Chapter, a guarantee includes undertaking the liability or property provided to secure the performance of obligations by the obligor.

Article 266 In addition to any rights and remedies provided by the laws and administrative regulations, where a director, supervisor, president and other senior management personnel of the Company is in breach of his/her duties to the Company, the Company has a right to:

(1) Claim damages from the directors, supervisors, president, and other senior management personnel for losses caused to the Company as a result of such breach;

(2) Rescind any contract or transaction entered into by the Company with the director, supervisor, president and other senior management personnel or with a third party (where such third party knows or should know that there is such a breach of duties by such director, supervisor, president and other senior management personnel) ;

(3) Demand the director, supervisor, president and other senior management personnel to surrender the profits made by him/her in breach of his/her duties ;

(4) Recover any fund received by the director, supervisor, president and other senior management personnel which should have been otherwise received by the Company, including (but not limiting to) commissions ;

(5) Demand repayment of the interest earned or which may have been earned by the director,

supervisor, president and other senior management personnel on the funds that should have been paid to the Company.

Article 267 The Company shall, with the prior approval of shareholders in shareholders' general meeting, enter into a contract in writing with a director or supervisor wherein his/her remunerations are stipulated, including :

- (1) remunerations in respect of his/her service as director, supervisor and other senior management personnel of the Company ;
- (2) remunerations in respect of his/her service as director, supervisor and other senior management personnel of any subsidiary of the Company ;
- (3) remunerations in respect of the provision of other services in connection with the management of the Company or any of its subsidiaries ;
- (4) compensation for loss of the position or retirement from office.

Article 268 Except under a contract entered into in accordance with the foregoing, no proceedings may be brought to a court by a director or supervisor against the Company for any benefits in respect of the matters abovementioned.

Article 269 The contract for remunerations entered into between the Company and its directors or supervisors should provide that in the event of a takeover of the Company, the directors and supervisors shall, subject to the prior approval of the shareholders in shareholders' general meeting, have the right to receive compensation or other payment for loss of the position or retirement. A takeover of the Company as referred to above means :

- (1) Takeover offer made by any person to all shareholders ;
- (2) An offer made by any person with a view to rendering the offeror a "controlling shareholder" as well as the meaning of Article 68 of Chapter V of the Articles of Association.

If the relevant director or supervisor does not comply with this Article 269 of the Articles of Association, any sum so received by him/her shall belong to those persons who have sold their shares as a result of the said offer made. The expenses incurred in distributing that sum pro rata among those persons shall be borne by the relevant director or supervisor and shall not be paid out of that sum.

Article 270 Job qualifications for directors, supervisors, and senior management personnel shall comply with the laws, administrative regulations, departmental rules, normative documents, and the provisions of the Articles of Association and the requirements of the regulatory authority. The job qualifications of directors, senior management personnel shall be reviewed by the banking regulatory authority of the State Council in accordance with the above provisions.

Chapter XII Financial and Accounting System, Profit Distribution and Audit
Section I Financial and Accounting System

Article 271 The Company shall establish its financial and accounting system in accordance with the laws, administrative regulations and related rules made by regulatory authority.

Article 272 The Company shall announce the financial report for two (2) times in each fiscal year, that is: to prepare a financial report within one hundred and twenty (120) days upon expiration of each fiscal year and submit it for examination and verification in accordance with the law; the Company shall prepare an interim financial report within sixty (60) days from the end of the first six (6) months of each fiscal year.

The financial reports abovementioned shall be prepared in accordance with relevant laws, administrative regulations, departmental regulations, and the provisions of Listing Rules, and submitted to the banking regulatory authority of the State Council and the stock exchange in which the shares of the Company are listed.

Article 273 The Board of Directors of the Company shall submit financial reports prepared by the Company as are required by any laws, administrative regulations or normative documents promulgated by local government and competent department, to the shareholders at every annual shareholders' general meeting.

Article 274 The Company shall deposit its financial reports at the Company for inspection by the shareholders at least twenty (20) days before the convening of the annual shareholders' general meeting. Each shareholder of the company is entitled to obtain financial reports mentioned in this chapter.

The Company shall send the aforementioned report to each H-shareholder by prepaid mail or releasing on the website of the Company or other ways stipulated in the Articles of Association at least twenty-one (21) days before the convening of the annual shareholders' general meeting, and the addresses of the recipients shall be the registered addresses as shown on the register of shareholders.

Article 275 The financial statements of the Company shall, in addition to being prepared in accordance with PRC accounting standards and regulations, be prepared in accordance with either international accounting standards or that of the place overseas where the Company's shares are listed. If there is any material difference between the financial statements prepared respectively in accordance with the two accounting standards, explanations shall be made in the financial statements. When the Company is to distribute its after-tax profits for that financial year, the lower of the after-tax profits as shown in the two financial statements shall be adopted. If other provisions in applicable laws, administrative regulations or the Listing Rules shall prevail.

Article 276 The Company shall not keep accounting books other than those acquires by law. Any account shall not be opened for the Company's assets under an individual's name.

Article 277 The profits after income tax paid by the Company shall be distributed in the following order:

- (1) To make up the losses of the previous years ;
- (2) To extract ten percent (10 %) of the statutory accumulation fund;
- (3) To extract fund for general (risk) preparation;
- (4) To extract the any accumulation fund by the resolutions of shareholders' general meeting ;
- (5) To distribute profits to shareholders.

To distribute the profits in light of the proportions of shares held by shareholders, unless it is instructed by the Articles of Association to not distribute profits according to the proportions of shares held by shareholders.

If the shareholder' meeting distributes the profits by violating the provisions of the preceding paragraph before the Item (1) to (4), the profits distributed must be refunded to the Company.

No profit may be distributed for the Company's shares held by the Company.

Article 278 The accumulation fund of the Company can be used making up losses, expanding the Company's operation or increasing the capital of the Company, provided that capital accumulation fund shall not be used for making up the losses sustained by the Company.

When the statutory accumulation fund is converted into capital, the balance of the statutory accumulation fund shall not fall below twenty-five percent (25%) of the Company's registered capital before being converted to increase.

Article 279 Capital accumulation fund includes the following items:

- (1) Premium proceeded from the shares issued over their par value;
- (2) Any other income required to be included in the capital accumulation fund by the competent finance department of the State Council.

Article 280 Dividends shall be distributed in the following forms :

- (1) Cash ;

(2) Shares.

The profit distribution of the Company attaches the emphasis on the reasonable return on the investment of investors. The Company's profit distribution policy should maintain a certain continuity and stability, and the Company shall distribute dividends in the profitable year. The profits distributed by the Company in the form of cash shall not be less than ten percent (10%) of the achieved profits available for distribution in each year.

Any amount paid upon any shares before a call is made on shares shall bear interest thereon, and however, the shareholder is not entitled to any dividends of such pre-paid share capital declared subsequently. The Company may exercise the power to cease sending dividend warrants to holders of overseas-listed foreign shares by post if such warrants have been left uncashed on two consecutive occasions, provided that the Company may do so on the first occasion on which such undelivered warrants are returned.

The Company may exercise the power to sell the shares of a holder of overseas-listed foreign shares who is unreachable in the way the Board of Directors considers appropriate only upon fulfilling the following requirements:

(1) During a period of twelve (12) years at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed by the shareholder ;

(2) On expiry of twelve (12) years, the Company gives notice of its intention to sell the shares by way of an advertisement published in one or more newspapers published in the place where the shares of the Company are listed, and notifies the securities regulatory body of the place in which the shares of the Company are listed.

When power is granted to forfeit unclaimed dividends, the power may be exercised only in six (6) years after the date of declaring dividend date or six (6) years later.

The Company shall pay cash dividends and other amounts to holders of domestic shares in Renminbi. The Company shall calculate and declare cash dividends and other payments which are payable to holders of H shares in Renminbi, and shall pay such amounts in Hong Kong dollar. The Company shall pay cash dividends and other amounts to holders of overseas listed foreign shares in foreign currency in accordance with the relevant foreign exchange control regulations of the State.

Dividends distributed in shares shall be upon resolutions of the shareholders' general meeting and reported to the banking regulatory authority for approval.

Article 281 The Company shall engage a receiving agent on behalf of the holders of overseas listed foreign shares, to receive dividends of overseas listed foreign shares and all other monies owing by the Company in respect of such shares on behalf of such shareholders.

The receiving agent engaged by the Company shall satisfy the relevant requirements of the laws of

the place and relevant regulations of the stock exchange where the Company's shares are listed. The receiving agent on behalf of holders of H shares engaged by the Company shall be a trust company registered under the Trustee Ordinance of Hong Kong.

Section II Internal Audit

Article 282 The Company shall implement an internal audit system, establish an independent and vertical audit management system, and the internal audit department is responsible for the Board of Directors. The internal audit department shall engage full-time auditors to conduct internal audit of income and expenditure of its finances and economic activities.

Article 283 The internal audit system and duties of the internal auditors of the Company shall be implemented upon approval by the Board of Directors. The chief auditor shall be accountable and report to the Board of Directors.

Section III Engagement of Accounting Firm

Article 284 The Company shall engage an independent accounting firm the relevant regulations of the State to audit the Company's annual financial statements and review the Company's other financial reports.

The Company's engagement of an accounting firm shall be decided by shareholders' general meeting.

Article 285 The accounting firm engaged by the Company shall hold the term of office from the conclusion of this annual shareholders' general meeting to the conclusion of the next annual shareholders' general meeting.

Article 286 The accounting firm engaged by the Company shall have the following rights :

(1) To inspect at any time the accounting books, records and vouchers of the Company, and to require the directors, president and other senior management personnel of the Company to provide any relevant information and explanation thereof ;

(2) To require the Company to take all reasonable steps to obtain all necessary information and explanation for the performing the duties from its subsidiaries ;

(3) To attend shareholders' general meeting and to receive all notices of, and other communications relating to, any shareholders' general meeting which any shareholder is entitled to receive, and to be heard at any shareholders' general meeting in relation to matters concerning its role as the accounting firm of the Company.

Article 287 Before the convening of the shareholders' general meeting, the Board of Directors may fill the vacancy in the office of the accounting firm by engaging other accounting firm but while there is still any such vacancy, the surviving or continuing accounting firm, if any, may

continue to act.

Article 288 The shareholders' general meeting may, by ordinary resolution, remove an accounting firm before the expiration of its office, regardless the stipulations in the contract clauses between the Company and the firm, but without prejudice to the firm's right to claim, if any, for damages in respect of such removal.

Article 289 The remuneration of an accounting firm or the manner in which such remuneration is to be fixed shall be determined by the shareholders' general meeting. The remuneration of an accounting firm engaged by the Board of Directors to fill in vacancy shall be determined by the Board of Directors and submitted to be approved by the shareholders' general meeting.

Article 290 The Company's engagement, removal and non-reengagement of an accounting firm shall be resolved by shareholders' general meeting and filed with the securities regulatory authority and the banking regulatory authority of the State Council.

Where it is proposed that any resolution be passed at a shareholders' general meeting concerning the engagement of an accounting firm, which is not an incumbent firm, to fill a casual vacancy in the office of the accountants' firm, or to reengage an accounting firm which was engaged by the Board of Directors to fill a casual vacancy, or to remove the accounting firm before the expiration of its term of office, the following provisions shall apply:

(1) A copy of the proposal about the engagement or the removal shall be sent to the firm proposed to be engaged or proposing to cease to act or the firm which has ceased to act in the relevant accounting year before notice of meeting is given to the shareholders.

Ceasing to act includes leaving by removal, resignation and retirement.

(2) If the firm which is about to cease to act makes representations in writing and requests the Company to notify the shareholders of such representations, unless the representations are received too late, the Company shall:

1. In any notice given to shareholders about a resolution to be made, state the representations that have been made by such accounting firm ;
2. Attach a copy of the representations to the notice and deliver it to the shareholders in the manner stipulated in the Articles of Association

(3) If the firm's representations are not sent in accordance with Item (2) above, the relevant firm may require that the representations be read out at the shareholders' general meeting and may lodge further complaints.

(4) An accounting firm which is about to cease to act shall be entitled to attend :

1. the shareholders' general meeting relating to the expiry of its term of office;
2. any shareholders' general meeting at which it is proposed to fill the vacancy caused by its removal ;
3. any shareholders' general meeting convened on its resignation.

The accounting firm ceasing to act has the right to receive all notices of, and other communications relating to, any such meeting, and to speak at any such meeting in relation to matters concerning its role as the former accountants' firm of the Company.

Article 291 In dismissing or discontinuing the engagement of an accounting firm, the Company shall notify the accounting firm in advance and the accounting firm has the right to make representations to the shareholders' general meeting. If an accounting firm resigns, it shall clarify to the shareholders at a shareholders' general meeting whether or not there is any improper affair.

An accounting firm may resign from its position by depositing its written notice of resignation at the legal address of the Company. The notice shall take effect from the date of deposit at the legal address of the Company or any later date specified in such written notice. Such notice shall contain following statements:

1. declaration that its resignation does not involve any circumstances which should be brought to the attention of the shareholders or creditors of the Company ; or
2. a description of such circumstances.

The Company shall send a copy of the written notice specified in the preceding paragraph to the relevant competent authority within fourteen (14) days after receiving such notice. If the notice contains the representations referred to in the preceding Item 2, the Company shall deposit the aforesaid copy at the Company for inspection by the shareholders. The Company shall also send it to each holder of overseas listed foreign shares by pre-paid mail or by releasing on the website of the Company or other ways stipulated in the Articles of Association, and the addresses of addressees shall be those recorded in the register of shareholders.

If the resignation notice of an accounting firm contains any statement of explaining the affair, the accounting firm may request the Board of Directors to convene an extraordinary general meeting of shareholders for presenting the explanations regarding the resignation given by the accounting firm.

Chapter XIII Notice and Announcement

Article 292 The Company's notice, communication or other written material shall be issued in the following form:

- (1) By personal delivery ;
- (2) By post ;
- (3) By e-mail or other electronic format or information carrier;
- (4) By fax ;
- (5) By notice ;
- (6) Subject to laws, administrative regulations and the listing rules of the place where the

Company's shares are listed, by publishing on the websites designated by the Company and Stock Exchange ;

(7) Other forms recognised by the securities regulatory authority of the place where the Company's shares are listed or as required under the Articles of Association.

Article 293 Any notice of the Company given by public notice shall be deemed to be received by all relevant persons once the public notice is published.

Article 294 Where a notice of the Company is served by personal delivery and, the addressee signs his/her name (or affixes his/her seal) on the receipt, and the date on which the addressee signs the receipt shall be the date of service; where a notice is to be sent by post, such notice is deemed to be served three (3) working days after the date on which it is deposited at the post office; where a notice of the Company is made by public notice, the date on which the notice is first published shall be the date of service; where a notice is sent by email, the date when sent shall be the date of service.

Article 295 The matters requested to be announced in accordance with laws or the provisions of the securities regulatory authority of the place in which the Company's shares are listed, or the provisions of the Articles of Association the Company shall be announced through the website of the Company or the media designated by related regulatory authority.

Chapter XIV Merger, Division, Dissolution and Liquidation

Section I Merger and Division

Article 296 In the event of a merger or division of the Company, a proposal of merger or division shall be made by the Board of Directors and after the proposal is approved in accordance with the procedures stipulated in the Articles of Association, such proposal shall be examined and approved in accordance with the law. If a shareholder objects to a proposal of merger or division, such shareholder shall have the right to demand the Company or those shareholders who approved the proposal of merger or division to purchase his/her shares at a fair price. The content of a resolution on the merger or division of the Company shall be made into a special document to be available for inspection by the shareholders.

Article 297 The Company to merger may proceed by either merger by absorption or merger by the establishment of a new company.

Merger by absorption means the absorption by one company of other company or companies in which case the absorbed company or companies shall be dissolved. Merger by new establishment means the merger of two or more companies to form a new company, in which case all parties to the merger shall be dissolved.

Article 298 In the event of a merger, the Board of Directors shall prepare the merger or division project and the project shall be resolved by the shareholders' general meeting in accordance with

the Articles of Association, and the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The Company shall notify its creditors within ten (10) days after the date of the Company's resolution on merger and shall make a public notice on newspapers, recognised by the stock exchange in which the Company's shares are listed, within thirty (30) days from the date of the Company's resolution on merger. Creditors may, within 30 days after receipt of such notice from the Company, or within forty-five (45) days after the date of the notice on newspapers for those who do not receive such notice, to demand that the Company repay their debts or provide a corresponding guarantee for such debts.

Article 299 After the merger, claims and liabilities of parties to the merger shall be taken over by the continuing company or the newly established company.

Article 300 When the Company is divided, its assets shall be split up accordingly.

In the event of a division of the Company, all the parties involved shall prepare balance sheets and inventories of assets. The Company shall notify its creditors within ten (10) days from the date of the Company's resolution on division and shall make announcement on newspapers recognised by the stock exchange in which the Company's shares are listed within thirty (30) days from the date of the Company's resolution on division.

Article 301 Unless otherwise agreed by the Company and creditors on settling liabilities in writing prior to the division, the ancillary obligation with respect to debts incurred by the Company before its division shall be borne by the companies after the division.

Article 302 In the event of merger or division of the Company, the Board of Directors of the Company shall take necessary measures to protect the legal interests of shareholders that object to the merger or division of the Company.

Article 303 When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law; when the Company dissolves, the Company shall finish its deregistration in accordance with the law; when a new company is established, its establishment shall be registered in accordance with the law.

Section II Dissolution and Liquidation

Article 304 The Company shall be dissolved upon the occurrence of any of the following :

- (1) The expiry of the term of operation ;
- (2) A resolution on dissolution is passed by shareholders' general meeting ;
- (3) Dissolution is necessary due to a merger or division of the Company ;
- (4) The Company's business license is revoked or cancelled or it is ordered to close down

according to the law ;

(5) Where the Company meets any serious difficulty during its operation and/or management so that the interests of the shareholders will be subject to heavy loss if it continues and it cannot be solved by any other means, the shareholders who hold ten percent (10%) or more of the voting rights of all the shareholders of the Company may plead the people's court to dissolve the Company;

(6) The Company is declared in bankruptcy in accordance with the law because of inability to repay debts due ;

(7) The Company is ordered to be terminated due to its violation of law or regulations. The dissolution of the Company shall be approved by the banking regulatory authority of the State Council.

Article 305 In circumstances in Item (1) of Article 304 of the Articles of Association, the Company may continue to exist upon the revisions to the Articles of Association.

The revisions to the Articles of Association according to the preceding paragraph shall be approved by shareholders who hold two thirds (2/3) or more of the voting rights of all the shareholders at the shareholders' general meeting.

Article 306 When the Company is dissolved under Item (1) , (2) , (4) , and (5) of Article 304 of the Articles of Association, a liquidation committee shall be set up within fifteen (15) days from the matter the dissolution exists and commence liquidation afterwards, and its members shall be determined by the Board of Directors or shareholders' general meeting; when the Company is dissolved under Item (6), the People's Court shall organise the shareholders, relevant organisations and relevant professionals to establish a liquidation committee to proceed with the liquidation in accordance with the provisions of relevant laws; where the Company is dissolved under Item (7) , the relevant competent authority shall organise the shareholders, relevant organizations and professionals to establish a liquidation committee to proceed with the liquidation. If a liquidation committee is not set up within the specified period to carry out liquidation procedures, creditors may apply to the People's Court for engagement of relevant persons to form a liquidation committee so as to proceed with the liquidation.

Article 307 Where the Board of Directors proposes to liquidate the Company due to causes other than that the Company has been declared insolvent, the Board of Directors shall include a statement in its notice convening a shareholders' general meeting to consider the proposal to the effect that, after making full inquiry into the affairs of the Company, the Board of Directors is in the opinion of that the Company will be able to pay its debts in full within twelve (12) months from the commencement of the liquidation.

Upon the passing of the resolution by the shareholders in shareholders' general meeting for the liquidation of the Company, all functions and powers of the Board of Directors shall cease.

The liquidation committee shall act in accordance with the instructions of the shareholders' general meeting to make a report at least once every year to the shareholders' general meeting on the committee's receipts and payments, the business of the Company and the progress of the liquidation and to present a final report to the shareholders' general meeting on completion of the liquidation.

Article 308 During the liquidation period, the liquidation committee shall exercise the following functions and duties:

- (1) To ascertain the Company's assets and separately prepare a balance sheet and an inventory of assets ;
- (2) To notify creditors by sending notice or by making a public notice ;
- (3) To deal with and settle the Company's outstanding business deals relating to the liquidation ;
- (4) To settle outstanding taxes or the taxes incurred in the liquidation process;
- (5) To ascertain all claims and debts;
- (6) To dispose of the remaining assets of the Company after the repayment of debts;
- (7) To represent the Company in any civil proceedings.

Article 309 The liquidation committee shall notify creditors within ten (10) days from the date of its establishment and make a public notice on newspapers recognised by the stock exchange in which the Company's shares are listed within sixty (60) days from such date. Creditors should, within thirty (30) days after receipt of the notice, or within forty-five (45) days from the date of the public notice for those who do not receive the notice, submit their claims to the liquidation committee.

When submitting their claims, creditors shall explain relevant particulars of their claims and provide supporting materials. The liquidation committee shall record the claims.

During the period of declaration of claims, the liquidation committee shall not repay any debts to the creditors.

Article 310 After checking the Company's assets and preparing a balance sheet and an inventory of assets, the liquidation committee shall formulate a liquidation plan and submit to the shareholders' general meeting or the People's Court for confirmation.

After paying the liquidation cost, staff salary, labour insurance, statutory compensation and the outstanding taxes respectively, and after repayment of its debts in accordance with the provisions above, the remaining assets of the Company shall be distributed to the shareholders of the

Company in proportion to their respective shareholdings.

During the liquidation period, the Company shall continue to exist but shall not carry out any business activities not relating to liquidation. The assets of the Company shall not be distributed to the shareholders before the repayment in accordance with provisions of the preceding paragraph.

Article 311 In the event of the Company's liquidation owing to dissolution, if the liquidation committee, after ascertaining the Company's assets and preparing a balance sheet and an inventory of assets, discovers that the Company's assets are insufficient to repay its debts, it shall immediately apply to the court for declaration of bankruptcy.

After the Company is declared bankruptcy by a ruling of the People's Court, the liquidation committee shall transfer the liquidation matters to the People's Court.

Article 312 Following the completion of liquidation, the liquidation committee shall present the liquidation report submitted to the shareholders' general meeting, the banking regulatory authority of the State Council or the People's Court for confirmation. Within thirty (30) days from the date of the shareholders' general meeting or the banking regulatory authority of the State Council or the People's Court confirmed, the liquidation committee shall submit the aforementioned documents to the company registration authorities for deregistration of the Company and announce that the Company ceases to exist.

Article 313 Members of the liquidation committee shall perform their duties faithfully and carry out the liquidation in accordance with the laws.

Members of the liquidation committee shall not take advantage of their position to take bribes or other illegal income, or misappropriate the assets of the Company.

If members of the liquidation committee cause any loss to the Company or its creditors, either wilfully or due to gross negligence, they shall be liable for compensation.

Article 314 Where the Company is declared bankrupted in accordance with the laws, a bankruptcy liquidation shall be implemented in accordance with the corporate bankruptcy laws.

Chapter XV Amendments to the Articles of Association

Article 315 The Company may, pursuant to the requirements of the laws, administrative regulations and the Articles of Association, amend the Articles of Association.

Article 316 The Company shall amend the Articles of Association under any of the following situations:

(1) There is a discrepancy between the provisions of the Articles of Association and those of the laws and administrative regulations after amendments to the *Company Law*, the *Commercial Banking Law* or relevant laws and administrative regulations;

(2) There are changes in the situation of the Company resulting in inconsistency in relation to that mentioned in the Articles of Association ;

(3) The shareholders' general meeting resolves to amend the Articles of Association.

Article 317 If the amendments upon the resolutions of shareholders' general meeting are subject to approval by the competent authorities, such amendments shall be submitted to such competent authority for approval; if registration is necessary for the amendments, such registration shall be carried out in compliance with the relevant laws.

Article 318 The Board of Directors may amend the Articles of Association in accordance with the resolution on amendments to the Articles of Association passed at the shareholders' general meeting and the approval opinions of the relevant competent authorities.

Article 319 Any amendment to the Articles of Association shall be subject to the public notice if so required by the laws and regulations

Chapter XVI Settlement of Disputes

Article 320 The Company shall act according to the following principles to settle disputes:

(1) Whenever any disputes or claims arise between holders of the overseas-listed foreign shares and the Company, holders of the overseas-listed foreign shares and the Company's directors, supervisors, president, and other senior management personnel, or holders of the overseas-listed foreign shares and holders of domestic shares, based on the Articles of Association or any rights or obligations conferred or imposed by the *Company Law* or any other relevant laws and administrative regulations concerning the affairs of the Company, such disputes or claims shall be referred by the relevant parties to arbitration.

(2) Where a dispute or claim of rights abovementioned is referred to arbitration, the entire claim or dispute must be referred to arbitration and any person (being the Company or a shareholder, director, supervisor, president and other senior management personnel of the Company) who has a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, shall abide by the arbitration.

(3) Disputes in relation to the identification of shareholders and disputes in relation to the register of shareholders need not be referred to arbitration.

(4) A claimant may elect arbitration at either the China International Economic and Trade Arbitration Commission in accordance with its rules or the Hong Kong International Arbitration Centre in accordance with its Securities Arbitration Rules. Once a claimant refers a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant. If a claimant elects arbitration at Hong Kong International Arbitration Centre, any party to the dispute or claim may apply the arbitration to take place in Shenzhen in accordance with the

Securities Arbitration Rules of the Hong Kong International Arbitration Centre.

(5) If any disputes or claims of rights prescribed in this article are referred to arbitration, the laws of the PRC shall apply, save as otherwise provided in the laws and administrative regulations.

(6) The award of an arbitration agency shall be final and conclusive and binding on all parties.

Chapter XVII Supplementary Provisions

Article 321 Definitions

(1) The "actual controller" shall refer to the persons who, not being a shareholder of the Company, is able to exercise control over the acts of the Company through an investment relationship, any agreement or other arrangement.

(2) The "connected relationship" shall refer to the relationship between the Company's controlling shareholders, actual controllers, directors, supervisors, senior management personnel and the enterprises under their direct or indirect control, as well as other relationships that may result in the transfer of the interests of the Company. However, state-owned enterprises shall not have the relationship aforementioned due to jointly being controlled by the State.

Article 322 The Board of Directors may formulate the rules, norms, regulations, systems, and methods in accordance with the provisions of the Articles of Association. The rules, norms, regulations, systems, and methods shall not contravene the provisions of the Articles of Association.

Article 323 These Articles of Association are drafted in Chinese. In case of any discrepancy between versions in other languages or different versions of the Articles of Association, the latest Chinese version approved by the banking regulatory authority of the State Council shall prevail.

Article 324 All "over", "within" in the Articles of Association include the relevant figure itself; "exceed", "less than", and "lower than" does not include the relevant figure itself.

Article 325 The right of interpretation shall belong to the Board of Directors of the Company.

Article 326 The annexes of the Articles of Association shall include the Rules of Procedure of the shareholders' general meeting, the Rules of Procedure of the Board of Directors, and the Rules of Procedure of the Board of Supervisors.