

**No.** 3706/25.02.2016

**To:** FINANCIAL SUPERVISORY AUTHORITY- Financial instruments and investments sector  
BUCHAREST STOCK EXCHANGE

**Ref:** Current report on 02 April 2016 GMS convening notice

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**Current report** according to FSA Regulation no 1/2006

**Report date:** 02/15/2016

**Name of Issuer:** Banca Comerciala Carpatica

**Headquarters:** Sibiu, No. 1, Autogării St.

**Phone / Fax No:** 0269/233.985; 0269/233.371

**Unique Registration Code with the Trade Register:** RO 11447021

**Order number in the Trade Register:** J32/80/1999

**Subscribed and paid-in share capital:** 220,274,282.20 RON

### 1. Important events

e) Other events

Considering the following:

- Mr. Ilie Carabulea's request, shareholder of the Bank holding a number of shares that exceeds 5% of BCC's share capital on 02 February 2016, to subject to the OGMS approval several proposals, according to the provisions of art. 119 of Law 31/1990 on companies, republished,
- The intention of Carpatica's Executive Board to convene the Extraordinary General Meeting of Shareholders, according to the provisions of art 117 of Law 31/1990 on companies, republished,

Banca Comerciala Carpatica's Executive Board decided on its 24 February 2016 meeting to convene the Ordinary and Extraordinary General Meetings of Shareholders on 02 April 2016.

Pleased find attached to this market report the Convening notice for the 02 April 2016 GMS.

Yours sincerely,

General Manager,  
Johan Gabriëls

Financial Markets Department,  
Alina Maria Rusu

## **BANCA COMERCIALĂ CARPATICA S.A. CONVENING NOTICE**

The Management Board of Banca Comercială CARPATICA S.A., a company managed under a two-tier system, incorporated and operating in accordance with Romanian law, registered with the Trade Registry Office attached to the Sibiu Tribunal under number J32/80/1999, fiscal identification code RO 11447021, having its registered office in Sibiu, 1 Autogării St., Sibiu county, with a subscribed and paid up share capital of 220,274,282.20 lei (the "**Bank**"), in accordance with the provisions of article 117 of Companies Law 31/1990, as republished, and of article 15 of the Bank's Articles of Association,

### **Convenes:**

#### **THE EXTRAORDINARY GENERAL SHAREHOLDERS MEETING ("EGSM")**

on **02.04.2016, 13:00 hours**, at Ibis Hotel, Faust II Room, address 2-4 Calea Dumbrăvii, 1<sup>st</sup> floor, Sibiu, Sibiu county, for all the shareholders registered with the Central Depository at the end of **29.03.2016**, set as the **reference date** for the EGSM, having the following agenda:

1. Approval of the new Articles of Association of the Bank, corresponding to a single-tier management system, in accordance with the EGSM Resolution no. 5 of 18.06.2015, as presented in Annex 1.
2. Approval of the date **18.04.2016** as record date for identifying the shareholders affected by the resolutions of the Extraordinary General Shareholders Meeting, in accordance with the provisions of article 238 of the Capital Market Law no. 297/2004, as subsequently amended and supplemented.

#### **THE ORDINARY GENERAL SHAREHOLDERS MEETING ("OGSM")**

on **02.04.2016, 14:00 hours**, at Ibis Hotel, Faust II Room, address 2-4 Calea Dumbrăvii, 1<sup>st</sup> floor, Sibiu, Sibiu county, for all the shareholders registered with the Central Depository at the end of **29.03.2016**, set as the **reference date** for the OGSM,

having regard to:

- a. The agenda of the extraordinary general shareholders meeting convened for 02.04.2016, 13:00 hours;
- b. The fact that Mr. Ilie Carabulea, in capacity of shareholder of the Bank, holding a number of 406,669,498 shares representing 18.462% of the share capital of the Bank, submitted, in accordance with article 119 of the Companies Law 31/1990, as subsequently amended and supplemented, under the address sent to the Bank on 29.01.2016 and received by the Bank on 02.02.2016, a request to convene the OGSM,

Item 1 on OGSM's agenda is added, in accordance with article 117 of the Companies Law 31/1990, at initiative of the Bank's Manager, in accordance with EGSM Resolution no. 5 of 18.06.2015, and items 2, 3 and 4 on OGSM's agenda are added in accordance with article 119 paragraphs 1 and 2 of the Companies Laws 31/1990, at request of the shareholder Ilie Carabulea, as proposed by the latter

OGSM's agenda is the following:

1. Election of Management Board members, as required by a single-tier management system.
2. Presentation of the Supervisory Board's Report regarding the monitoring of the fulfillment by the Executive Board of OGSM Resolution no. 3/28 April 2015 on approving the Revenue and Expenditure Budget for 2015, and regarding manner how the supervisory body fulfilled its control attributions over the executive management carried out by the Executive Board of the Bank.
3. Based on the content of the Supervisory Board Report and that of the Preliminary Financial Statements of Banca Comerciala Carpatica S.A. for 2015, in accordance with IFRS, notified by the executive management of the Bank under no. 1414 of January 25<sup>th</sup>, 2016, approval of a resolution on ensuring Bank's management in the upcoming period, including revocation of any member of the Supervisory Board and/or Executive Board, respectively the appointment of new members for the Supervisory Board and/or Executive Board, as applicable.  
Shareholders may propose candidates, according to applicable legal provisions.
4. Approval of the record date for identifying the shareholders upon whom the resolutions of the Ordinary General Shareholders Meeting have effect, in accordance with the provisions of article 238 of Capital Market Law no. 297/2004, as subsequently amended and supplemented. The Executive Board's proposal for a record date is **18.04.2016**.

Only persons who, as at the Reference Date of **29.03.2016**, are registered as shareholders in the Bank's shareholders' registry kept with Depozitarul Central S.A. are entitled to participate and vote in the EGSM/OGSM.

#### Shareholders' proposals in respect to the general shareholders meeting

One or several shareholders, individually or jointly representing at least 5% of the Bank's share capital (hereinafter referred to as the "**Initiators**") are entitled:

- (a) to add new items on the agenda of the EGSM/OGSM, provided that each item is accompanied by a justification or by a draft of resolution proposed to be adopted by the EGSM/OGSM; and
- (b) to present drafts of resolutions for items included or proposed to be included in the agenda of the EGSM/OGSM.

Initiators' proposals regarding the inclusion of new items on the agenda, as well as the draft resolutions for the items proposed to be included on the agenda of the EGSM/OGSM, accompanied by copy of the valid identification documents of the Initiator (in case of natural persons – identity bulletin/card and in case of legal persons - identity bulletin/card of the legal representative registered in the Bank's shareholders' list issued by Depozitarul Central S.A.), may be transmitted as follows:

- a) submitted at the registered seat of the Bank in Sibiu, 1 Autogării St., postal code 550135, by 18.03.2016, before the Bank's closing hour 17:30, in sealed envelope, being clearly inscribed with upper case letters "**FOR THE GENERAL MEETING OF SHAREHOLDERS OF 02/04 APRIL 2016**".
- b) sent by e-mail having attached an embedded and extended electronic signature, as provided under Law no. 455/2001 on electronic signature, by 18.03.2016, before the Bank's closing hour 17:30, at [capital@carpatica.ro](mailto:capital@carpatica.ro), having "**FOR THE GENERAL MEETING OF SHAREHOLDERS OF 02/04 APRIL 2016**" in the subject line.

The Bank' shareholders, regardless of their participation in the share capital, as well as present members of the Supervisory Board, may submit **candidate proposals for the appointment as member of the Management Board/Supervisory Board** including information regarding the name, domicile and professional qualification of the proposed persons, accompanied by (i) copies of the valid identification documents of the shareholder (in case of natural persons – identity bulletin/card/passport and in case of legal persons - identity bulletin/card/passport of the legal representative registered in the list of Bank's shareholders issued by Depozitarul Central S.A.), (ii) curriculum vitae and (iii) affidavit from the candidate, stating that the respective person is not subject to any of the incompatibility cases provided by the applicable legal framework or stating that the person understands to relinquish any incompatibility case for the purpose of being approved by the National Bank of Romania and that accepts the mandate, in case it will be appointed (affidavit templates shall be made available on [www.carpatica.ro](http://www.carpatica.ro), in the section Investors/General Meeting of Shareholders). The candidates for membership in the Management Board/Supervisory Board must meet the conditions required by the regulations of the National Bank of Romania. The candidate proposals together with the above mentioned documents can be transmitted as follows:

- a) submitted at the registered seat of the Bank in Sibiu, 1 Autogării St., postal code 550135, by 18.03.2016, before the Bank's closing hour 17:30, in sealed envelope, being clearly inscribed with upper case letters "**FOR THE GENERAL MEETING OF SHAREHOLDERS OF 02/04 APRIL 2016**".
- b) sent by e-mail having attached an embedded and extended electronic signature, as provided under Law no. 455/2001 on electronic signature, by 18.03.2016, before the Bank's closing hour 17:30, at [capital@carpatica.ro](mailto:capital@carpatica.ro), having: "**FOR THE GENERAL MEETING OF SHAREHOLDERS OF 02/04 APRIL 2016**" in the subject line.

The list comprising details about the name, domicile and professional qualification of the individuals proposed for the position of member of the Management Board/Supervisory Board shall be made available to shareholders on the Bank's website ([www.carpatica.ro](http://www.carpatica.ro)) and at the headquarters of the Bank, and it may be viewed and supplemented by the shareholders.

The agenda supplemented with the items proposed by the above mentioned shareholders shall be published in accordance with the requirements of the law and the provisions of the articles of association regarding the convening of the OGSM/EGSM, by **22.03.2016** at the latest.

### Questions related to the general shareholders meeting

The Bank's shareholders, regardless of their participation to the share capital, may address questions in writing in relation to the items included in the agenda of the OGSM/EGSM, accompanied by a copy of the valid identification document of the shareholder (in case of natural persons, identity bulletin/card and in case of legal persons, identity bulletin/card of the legal representative registered in the list of Bank's shareholders issued by Depozitarul Central S.A.) to the registered seat of the Bank in Sibiu, 1 Autogării St., by **31.03.2016**, 11.00 hours for EGSM and by **31.03.2016**, 12:00 hours for OGSM, in sealed envelope, being clearly inscribed with upper case letters **"FOR THE GENERAL MEETING OF SHAREHOLDERS OF 02/04 APRIL 2016"**.

The shareholders may address such questions also by e-mail having attached an embedded and extended electronic signature, as provided under Law no. 455/2001 on electronic signature, accompanied by a copy of the valid identification document of the shareholder (in case of natural persons, identity bulletin/card and, in case of legal persons, identity bulletin/card of the legal representative registered in the list of Bank's shareholders issued by Depozitarul Central S.A.) by **31.03.2016**, 11.00 hours for EGSM and by **31.03.2016**, 12:00 hours for OGSM, at [capital@carpatica.ro](mailto:capital@carpatica.ro), having **"FOR THE GENERAL MEETING OF SHAREHOLDERS OF 02/04 APRIL 2016"** in the subject line.

#### Attending the general shareholders meeting

The access of the shareholders registered in the shareholders registry as at the Reference Date and entitled to attend the OGSM/EGSM is permitted based on simple proof of their identity, made, in case of natural persons, with the identity document or, in case of legal persons and natural persons attending the meeting by means of a representative (other than legal representatives), with the proxy given to the natural person representing such shareholders, in compliance with the relevant applicable legislation.

Shareholders who, as at the Reference Date, are registered in the shareholders registry of the Bank, kept by Depozitarul Central S.A. may attend the OGSM/EGSM in person or by proxy, each shareholder having the right to appoint another natural or legal person as representative for participating and voting on his behalf in the OGSM/EGSM, in accordance with the provisions of art. 243 par. (6) – (64<sup>4</sup>) of Law no. 297/2004, as amended and supplemented.

The Management Board and Supervisory Board members or the employees of the Bank may not represent shareholders, under the sanction of annulment of the resolution, if without their votes, the required majority would not have been reached.

When participating by proxy, shareholders shall appoint representatives by special proxies, prepared in accordance with the sample of special proxy provided to the shareholders by the Bank, both in Romanian and in English, or by a general proxy granted under the conditions presented below.

#### General and special proxy

The general proxy is valid only if: (i) it is granted for a period not exceeding 3 years, (ii) it expressly enables the representative of the shareholder who granted such proxy to vote on all issues under debate in the general meetings of Bank's shareholders, including acts of disposal and (iii) it is given by the shareholder, acting in capacity of customer, to an intermediary, as defined by art. 2 par. (1) point 14 of Law 297/2004, as amended and supplemented, or to a lawyer. Shareholders of the Bank shall not be represented in the OGSM/EGSM based on a general proxy given to a person who is subject to a conflict of interest that may arise in particular in the following cases:

- a) is a majority shareholder of Bank, or other entity controlled by such shareholder;
- b) is a member of an administrative, management or supervisory body of the Bank, of a majority shareholder or of a controlled entity as provided in section a) above;
- c) is an employee or an auditor of the Bank or of a majority shareholder or of a controlled entity as provided in section a) above;
- d) is a spouse or relative up to the fourth degree inclusively of one of the natural persons referred to in sections a) to c) above.

The general proxy shall contain at least the following information: **1.** the name of the shareholder; **2.** name of the representative (to whom the proxy is granted); **3.** date of proxy and its period of validity, in compliance with the law; proxies bearing a later date have the effect of revoking previously dated proxies; **4.** indication that the shareholder empowers the representative to attend and vote on his behalf by general proxy in the general shareholders meeting for the entire holding of the shareholder at the reference date, expressly specifying the company/companies for which the general proxy is to be used. The validity of general proxy ceases in accordance with par. 2 of art. 15<sup>1</sup> of ASF Regulation no. 6/2009.

A shareholder may appoint a single person to represent him in the OGSM/EGSM. However, if a shareholder holds shares of the Bank in several securities accounts, this restriction shall not prevent that shareholder to appoint a distinctive representative for shares held in each securities account with respect to a specific general meeting. Nonetheless, the shareholder is forbidden to express different votes in respect of the shares held by him in the share capital of the Bank.

The special proxies shall contain specific voting instructions for each item on the agenda of the OGSM/EGSM and the representative shall have the obligation to vote in accordance with the instructions of the shareholder who appointed him.

A special proxy is valid exclusively for the meeting for which it was requested. The representative has the obligation to vote in accordance with the instructions of the shareholder who appointed him.

Moreover, a shareholder may appoint one or several alternate representatives by special proxy to ensure that shareholder's representation in the OGSM/EGSM in case the representative appointed by special proxy is unable to fulfill its mandate. If several alternate representatives are appointed by proxy, the order in which they are to exercise their mandate shall be set.

**In case of the special proxy**, an original copy, filled in English or Romanian language and signed by the shareholder, accompanied by a copy of the identity document of that shareholder (in case of natural persons – bulletin/identity card, and respectively for legal persons – bulletin/identity card of the legal representative registered in the list of Bank shareholders issued by Depozitarul Central S.A.), shall be submitted to the Bank's head office in Sibiu, 1 Autogării St., by **31.03.2016**, 11.00 hours for EGSM and by **31.03.2016**, 12:00 hours for OGSM, in sealed envelope, clearly inscribed with upper case letters "**FOR THE GENERAL MEETING OF SHAREHOLDERS OF 02/04 APRIL 2016**" and the representative shall carry with him an original copy of his special proxy in the OGSM/EGSM.

**The special proxy** may be sent also by e-mail having an extended electronic signature embedded, according to Law no. 455/2001 regarding electronic signature, accompanied by valid identification documents, by **31.03.2016**, 11.00 hours for EGSM and by **31.03.2016**, 12:00 hours for OGSM, to the e-mail address [capital@carpatica.ro](mailto:capital@carpatica.ro), with the following text "**FOR THE GENERAL MEETING OF SHAREHOLDERS OF 02/04 APRIL 2016**" mentioned in the subject line.

**In case of the general proxy**, before it is first used, a copy of the general proxy certified under signature by the representative as true copy of the original, accompanied by a copy of the identity document of the shareholder (in case of natural persons – bulletin/identity card, and respectively for legal persons – bulletin/identity card of the legal representative recorded on the list of Bank shareholders issued by Depozitarul Central S.A.) shall be submitted to the Bank’s head office in Sibiu, 1 Autogării St., by **31.03.2016**, 11.00 hours for EGSM and by **31.03.2016**, 12:00 hours for OGSM, in sealed envelope, clearly inscribed with upper case letters **"FOR THE GENERAL MEETING OF SHAREHOLDERS OF 02/04 APRIL 2016"** and the representative shall carry with him an original copy of the general proxy in the OGSM/EGSM.

**The general proxy** may be sent also by e-mail having extended electronic signature embedded, according to Law no. 455/2001 regarding electronic signature, accompanied by valid identification documents, by **31.03.2016**, 11.00 hours for EGSM and by **31.03.2016**, 12:00 hours for OGSM, to the e-mail address [capital@carpatica.ro](mailto:capital@carpatica.ro), with the following text **"FOR THE GENERAL MEETING OF SHAREHOLDERS OF 02/04 APRIL 2016"** mentioned in the subject line.

Certified copies of the general proxies shall be kept by the Bank, this being mentioned in the minutes of the OGSM/EGSM.

The person who was given a general proxy may not be substituted by another person. In case the proxy is a legal person, it can exercise its mandate through any person who is a member of its management or executive body or through its employees.

Shareholders may appoint and revoke their representative by electronic means of data transmission, the revocation being effective and binding to the Bank if it is received by the Bank until the time limit for submitting/sending proxies.

If the person representing in person the shareholder in the OGSM/EGSM is different from the person who voted by correspondence, then for the former’s vote to be valid, the representative shall present the OGSM/EGSM with a written revocation of the vote by correspondence, signed by the shareholder or by the representative who expressed the vote by correspondence. This is not necessary if the shareholder or his legal representative is present at the OGSM/EGSM.

#### Special provisions regarding the general proxy

The Bank shall accept a general proxy to participate and vote in the OGSM/EGSM given by a shareholder, in capacity of customer, **to an intermediary** as defined in art. 2 par. (1) pt. 14 of Law no. 297/2004, as amended and supplemented, or **to a lawyer**, without requesting additional documents relating to such shareholder, if the general proxy complies with ASF Regulation no. 6/2009, is signed by the relevant shareholder and accompanied by an affidavit given by the legal representative of the intermediary or by the lawyer who received a general proxy, affidavit affirming that::

- (i)** authorization is granted by such shareholder, in capacity of customer, to his intermediary or, where appropriate, to his lawyer;
- (ii)** general proxy is signed by the shareholder, including the attachment of extended electronic signature, if necessary.

The affidavit referred to above shall be submitted to the issuer in original, signed and, where appropriate, sealed without further formalities related to its form. The affidavit is submitted to the Bank together with the general proxy, in the terms and conditions set out above.

### Vote by correspondence

The Bank's shareholders registered, as at the Reference Date, in the registry of shareholders of the Bank kept by Depozitarul Central S.A. have the opportunity to vote by correspondence using the ballot papers for vote by correspondence made available to shareholders by the Bank, both in Romanian and in English language.

The vote by correspondence may be cast by a representative only if that representative has received from the shareholder whom he represents a special/general proxy, which shall be submitted with the Bank in accordance with article 243 paragraph (6<sup>3</sup>) of Law no. 297/2004, as amended and supplemented.

When voting by correspondence, the ballot paper, filled in Romanian or English language and signed, together with a copy of the identity document of the shareholder (in case of natural persons – bulletin/identity card, and respectively for legal persons – bulletin/identity card of the legal representative, registered in the list of Bank shareholders issued by Depozitarul Central S.A.), can be delivered as follows:

- a) delivered to the registered seat of the Bank in Sibiu, 1 Autogării St., postal code 550135, using any form of delivery with acknowledgement of receipt, so that its receipt may be recorded by the Bank's registry, in sealed envelope, clearly inscribed and upper case letters "**FOR THE GENERAL MEETING OF SHAREHOLDERS OF 02/04 APRIL 2016**", by **31.03.2016**, 11:00 hours for EGSM, respectively by 31.03.2016, 12:00 hours for OGSM, at the latest.
- b) sent via e-mail with embedded extended electronic signature, according to Law no. 455/2001 on electronic signature, by **31.03.2016**, 11:00 hours for EGSM, respectively by 31.03.2016, 12:00 hours for OGSM, to the e-mail address [capital@carpatica.ro](mailto:capital@carpatica.ro), with the following text "**FOR THE GENERAL MEETING OF SHAREHOLDERS OF 02/04 APRIL 2016**" mentioned in the subject line.

### Other provisions regarding OGSM/EGSM

In case of shareholders who are legal persons or entities without legal personality, the capacity of legal representative is established based on the list of shareholders valid as at the reference date, received from Depozitarul Central S.A.. Documents certifying the capacity of legal representative, drafted in any foreign language other than the English language, shall be accompanied by a translation made by a sworn translator into Romanian or English language. The issuer shall not require legalisation or apostille for documents certifying the capacity of legal representative of a shareholder.

In all cases described above when a reference is made to a shareholder's representative registered in the list of shareholders issued by Depozitarul Central S.A., if that respective representative is not registered as such in the records of Depozitarul Central S.A., a confirmation of company details issued by the Trade Register, or any other equivalent document, in original or copy certified for conformity with the original, issued by any qualified authority of the state in which the shareholder is legally registered and which certifies the capacity of legal representative, shall be sent for the identification of the representative of the shareholder who is a legal person, and shall not be older than 3 months before the date when the convening notice for the OGSM/EGSM is published.

Any failure to send the special proxies/ballots for correspondence voting by the above mentioned dates is sanctioned by loss of the right to vote by proxy/by correspondence in the OGSM/EGSM. The special proxies/ballots for correspondence voting which do not contain at least the details enclosed in the sample



forms made available by the Bank, shall not be binding to the Bank, and the general proxies which do not contain the minimum information required by legal provisions shall not be binding to the Bank either.

If on **02.04.2016** (date of the first convening of OGSM/EGSM) the legal and statutory requirements of validity for holding the OGSM/EGSM are not met, the respective OGSM/EGSM is convened on **04.04.2016** in the same location, at the same time, and having the same agenda.

The documents and the informative materials concerning the points included on the agenda of the OGSM/EGSM, this convening notice, the total number of shares and the voting rights existing at the date of the call, as well as the special proxies and the ballots for correspondence voting in the OGSM/EGSM shall be made available to the shareholders, in Romanian and in English language, **starting with 02.03.2016**, at the Bank's registered office, and shall be also made available on the website of the Bank ([www.carpatica.ro](http://www.carpatica.ro), **Investors/General Meeting of Shareholders** section).

As at the date of the call, the registered share capital of the Bank is represented by 2,202,742,822 nominative shares, each share giving the right to one vote, except for a number of **407,954,570** shares for which the voting rights have been suspended by the National Bank of Romania; thus, the total number of voting rights at the date of the convening is of **1,794,788,252** voting rights.

The draft resolutions proposed by shareholders shall be posted on the website of the Bank as soon as possible, after being received by the Bank.

Additional information can be obtained from the Financial Markets Department, at phone number 0372/494 918 and from the website of the Bank [www.carpatica.ro](http://www.carpatica.ro) .

President of the Management Board  
Johan Gabriels  
**BANCA COMERCIALĂ CARPATICA S.A.**

**Articles of Association of  
Banca Comerciala Carpatica S.A.**

**CHAPTER I  
General Provisions**

**Article 1 Legal and business name, legal form, applicable law, logo**

- 1.1. Banca Comerciala Carpatica S.A. is a Romanian legal person, established and operating as single-tier joint stock company, in conformity with the laws valid in Romania, in particular the companies law and the banking law and with these Articles of Association, duly authorized by the National Bank of Romania (“**NBR**”) as Romanian credit institution.
- 1.2. The legal and business name of the company is Banca Comerciala Carpatica S.A.. In these Articles of Association, Banca Comerciala Carpatica S.A. shall be referred to as the “**Bank**”.
- 1.3. In any form of advertisement, official document, contract or any other kind of document, the initials, logo, emblem and any other similar sign or symbol of the Bank shall be used exclusively by the Bank, its branches, subsidiaries, representative offices or agencies.
- 1.4. All invoices, quotations, orders, fees, prospectuses or other documents coming from the Bank shall state the name of the Bank, its legal form, registered office, number in the Trade Register, single registration code and share capital subscribed and paid-up.

**Article 2 Registered office and secondary offices**

- 2.1 The registered office and actual office of the Bank is in Sibiu, 1 Autogarii St., Sibiu County, Romania.
- 2.2 The registered or actual office of the Bank may be relocated to any other address, exclusively in Romania.
- 2.3 The Bank has and may establish, in Romania and abroad, secondary offices without legal personality referred to as branches, agencies, places of business, representative offices and also subsidiary legal persons, in accordance with these Articles of Association and the companies law and banking law.

**Article 3 Term**

- 3.1 The Bank is registered and operates for indefinite period of time.
- 3.2 The Bank may terminate its operations in accordance with the valid provisions of the law applicable to business companies and credit institutions.

**CHAPTER II  
Capital and Assets of the Bank**

**Article 4 Share capital and shares**

- 4.1 The share capital of the Bank, subscribed in paid up in full by shareholders, is RON 220,274,282.20, divided into 2,202,742,822 nominative and ordinary shares, each share having a nominal value of RON 0.1.
- 4.2 The shares issued by the Bank are registered, ordinary, issued in dematerialized form, by registration in the Shareholders' Register and have equal nominal value, granting equal rights to their owners.
- 4.3 Each share issued by the Bank and paid and held by any person (other than the Bank) grants a right to vote in general meetings of shareholders, except when shareholders decide that the Bank should issue preferential shares without voting right.
- 4.4 Shares are indivisible and the Bank acknowledges only one shareholder for each share. In case a share is indivisible property of several persons, they shall appoint a representative to exercise the rights deriving from the ownership of that respective share.

#### **Article 5 Increase / reduction of share capital**

- 5.1 The share capital of the Bank may be increased by resolution of the extraordinary general meeting of shareholders, in accordance with the applicable provisions of the companies law and banking law.
- 5.2 Shares may not be issued at an issue price inferior to their nominal value. However, shares may be issued at an issue price superior or equal to their nominal value.
- 5.3 Shares issued as part of a capital increase shall be offered, in accordance with the applicable legal provisions, to Bank shareholders in view to exercise their preference right, except when the preference right is removed, in accordance with the applicable law. If, after the lapse of the time allowed for exercising the preference right, the newly issued shares are not subscribed in full, those left unsubscribed may be cancelled or offered to third parties, as the qualified corporate body that approved the relevant capital increase may resolve.
- 5.4 Any reduction of the share capital may be performed in accordance with the applicable legal provisions and shall observe the minimum share capital level required by the banking law.
- 5.5 When reduction of the share capital is justified by losses, the share capital may be reduced only by reducing the number of shares issued or by reducing the nominal share value, case in which any reduction of the share capital by refunding to shareholders a share of their contributions to the share capital is prohibited.
- 5.6 The resolution to reduce the share capital shall include the reasons underlying such reduction and the procedure to be used for the implementation thereof.

#### **Article 6 Shareholders' Register and share transfer**

- 6.1 During the time when shares issued by the Bank are admitted to trading on a spot regulated market managed by Bursa de Valori Bucuresti S.A. (*Bucharest Stock Market*), the register of shareholders of the Bank shall be kept, in accordance with the law, by Depozitarul Central S.A. (*Central Depository*).
- 6.2 In the relationship between Bank and shareholders, the title over the shares is created only by and as from the date of registration of that respective shareholder in the Shareholders' Register. Any transfer not recorded in the Shareholders' Register shall not be binding to the Bank, and the Bank shall not recognize the assignee as shareholder of the Bank.
- 6.3 Shareholders shall notify any change in the identity or contact details recorded in the Shareholders' Register, by letter delivered to the Depozitarul Central SA, or any other entity under the law, together with documents in proof of the changes in the data referred to above. The Bank shall be liable for the consequences of any failure to update data recorded in the Shareholders' Register.

- 6.4 During the time when the shares issued by the Bank are allowed to trading on the spot regulated market managed by Bursa de Valori Bucuresti S.A., any transfer of shares issued by the Bank shall be carried out in compliance with the capital market law.

### CHAPTER III

#### A. Business Object of the Bank

##### Article 7 Business field and main business object

- 7.1 The main business field of the Bank is the performance of banking and financial operations:
- 6419 – Other monetary intermediation:
- a) collecting deposits and other repayable funds (CAEN code 6419);
  - b) granting loans, including, among others: consumer loans, mortgage loans, financing business transactions, factoring, with or without recourse, discounting, forfeiting (CAEN code 6419);
  - c) payment operations (CAEN code 6419);
  - d) issuing and administrating payment instruments, such as: credit cards, travelers' checks and others similar, including issue of electronic money (CAEN code 6419);
  - e) issuing guarantees and taking commitments (CAEN code 6419);
  - f) trading for own account or for the account of customers, in the conditions of the law:
    - money market instruments such as: cheques, bills of exchange, promissory notes, certificates of deposit (CAEN code 6419);
    - foreign exchange (CAEN code 6419);
    - securities and other transferable financial instruments (CAEN code 6419)
    - futures and options financial contracts (CAEN code 6419)
    - instruments based on exchange rate and interest rate (CAEN code 6419)
    - participating securities and collective investment schemes (CAEN code 6419);
  - g) participating at the issue of securities and other financial instruments, by subscribing or placing them or by delivering services related to such issues (CAEN code 6612 - Financial transaction intermediation activities and fund administration (financial agents));
  - h) consultancy on capital structure, business strategy and other related business issues, services related to mergers and purchase of undertakings and provision of other consultancy services (CAEN code 6619 - Other activities auxiliary to financial intermediation, except insurance and pension funding activities);
  - i) intermediation on the inter-bank market (CAEN code 6419);
  - j) portfolio management and related consultancy services (CAEN code 6612- Financial transaction intermediation activities and fund administration (financial agents));
  - k) custody and administration of financial instruments (CAEN code 6419);
  - l) providing loan reference and data supply services (CAEN code 6419);
  - m) renting out safe-deposit boxes (CAEN code 6419);
  - n) depositing assets of investment funds and investment companies (CAEN code 6419);
  - o) distributing participating securities in investment funds and shares in investment companies (CAEN code 6499 – Other financial intermediation);
  - p) acting as operator for the Electronic Archive for Real Movable Securities (CAEN code 6619 - Other activities auxiliary to financial intermediation, except insurance and pension funding activities);

- q) operations with precious metals and gems and objects made of such materials (CAEN code 6419);
  - r) obtaining participating securities in the capital of other entities (CAEN code 6420);
  - s) renting out movable or immovable assets, according to the law (CAEN code 6820)
  - t) marketing of privately administered pension funds and marketing of optional pension funds (cod CAEN 6629) ;
- 7.2 The Bank performs the following services auxiliary or associated to the main business:
- a) operations with movable and immovable assets obtained following execution of bank receivables (CAEN code 6810);
  - b) provision of services to customers, including valuation of movable and immovable assets for the purpose of admitting them as loan collaterals, obtaining expert's opinion on technical and economic documentations, pre-feasibility and feasibility studies presented by customers for the purpose of being granted investment loans (CAEN code 6619);
  - c) domestic transportation with own or leased means, for the general needs of the bank (money assets, gold and other precious metals, foreign currency, cheques, other commercial bills and other settlement instruments, bills of value or special importance, other similar assets) (CAEN code 4941);
  - d) organization and performance of vocational training of employees in its own training facilities (CAEN code 8559).
- 7.3 For the achievement of its business object and associated operations, the Bank prepares its own internal regulations.

## **CHAPTER IV**

### **General Meetings of Shareholders**

#### **Article 8 Types of meetings; Duties**

- 8.1 The management body of the Bank is the general meeting of shareholders. The general meetings of shareholders may be ordinary or extraordinary.
- 8.2 The ordinary general meeting of shareholders discusses and resolves on the following matters:
- a) discussing, approving or amending the annual financial statements, based on reports of the Management Board and financial auditor and setting dividends;
  - b) electing and revoking the members of the Management Board;
  - c) appointing and dismissing the financial auditor and setting the minimum term of the financial audit appointment;
  - d) setting the remuneration due to members of the Management Board for the current financial year;
  - e) assessing the activity of the Management Board and discharging the members of the Management Board for the previous financial year;
  - f) approving the revenue and expenditure budget and, if applicable, the work programme for the following financial year;

- g) approving the initiation of legal proceedings against members of the Management Board or financial auditor and appointing the person authorized to represent the Bank in such proceedings;
- h) other matters included in the agenda of and assigned to the ordinary general meeting of shareholders, in accordance with the law.

8.3 The extraordinary general meeting of shareholders discusses and resolves on the following matters:

- a) changing the legal form of the Bank;
- b) changing the main business object of the Bank;
- c) increasing or reducing the share capital of the Bank;
- d) merger, division or separation of the Bank, except when, in accordance with the applicable law, shareholders' resolution for that type of merger or division is not required;
- e) early dissolution of the Bank;
- f) share conversion from one category to another;
- g) issuing bonds, respectively the general terms and conditions of such issue;
- h) converting one category of bonds into another category of bonds or into shares;
- i) prior approval of the main terms and conditions of the legal documents entered into by the Management Board on behalf of the Bank, for acquiring, selling, leasing and/or pledging Bank assets, when the accounting value of such assets exceeds fifty (50) per cent of the accounting value of Bank's assets at the time when such document is executed, in reference to the most recent annual financial statements;
- j) any amendment to the Articles of Association of the Bank;
- k) prior approval of any acquisition of assets from or alienation of assets to the Bank, by or to any one or several members of the Management Board, on their personal behalf, when their value exceeds ten (10) per cent of the value of Bank's net assets;
- l) prior approval of any document for obtaining, alienating, exchanging or collateralising assets included in the category of fixed assets of the Bank, when their value exceeds, separately or cumulatively, during a financial year, 20% of the total fixed assets, less receivables;
- m) prior approval of any lease of tangible assets for a period of more than one year, when their individual or cumulated value towards a single co-contractor or towards persons involved or acting in concert exceeds 20% of the total fixed assets, less receivables, as of the execution date of the relevant legal document, and also associations for periods of more than one year, exceeding the same value;
- n) other matters included in the meeting agenda of and assigned to the extraordinary general meeting of shareholders, in accordance with the law.

8.4 The following duties are expressly delegated to the Management Board:

- a) amending the secondary business object of the Bank;
- b) relocating the registered and/or actual office of the Bank;

- c) establishing or disbanding secondary offices: branches, agencies, places of business, representative offices and other similar units without legal personality.

#### **Article 9 Convening the general meeting of shareholders**

- 9.1 The Management Board may convene the general meeting of shareholders whenever it may be necessary. The ordinary general meeting of shareholder assembles at least once a year, within not more than four months as from the end of the financial year.
- 9.2 The general meeting shall assemble at least 30 days after publication of the convening notice in the Official Gazette of Romania, at the place and on the date specified in the relevant convening notice, for the first and second call of the meeting.
- 9.3 The convening notice containing the minimum information required under the law shall be published in the Official Gazette of Romania, Part IV, in a largely circulated newspaper and on the web page of the Bank, in compliance with the provisions of the capital market regulations.
- 9.4 Any one or several shareholders individually or jointly representing at least 5% of the share capital may request in writing the Management Board to supplement the agenda, as published, with new items, within 15 days as from publication of the convening notice in the Official Gazette.
- 9.5 Subject to the request to supplement the agenda meeting all legal requirements, the Management Board shall republish the convening notice with the supplemented agenda, in compliance with Article 9.3 above, at least 10 days prior to the date set for the first assembly, as specified in the convening notice.
- 9.6 The Management Board shall call the general meeting immediately, at request of shareholders representing, individually or jointly, at least 5% of the share capital, if the request contains dispositions that lie within meeting's attributions. In this case, the general meeting shall be convened within not more than 30 days and shall assemble within not more than 60 days after the date when the abovementioned request is recorded by the Bank.
- 9.7 No resolutions shall be adopted on agenda items that were not published in the convening notice.

#### **Article 10 Access to information concerning the general meetings of shareholders**

- 10.1 The convening notice of the general meeting of shareholders shall observe the minimum content required under the capital market regulations.
- 10.2 All documents and information relating to items included in the agenda of a shareholders' meeting and the manner how shareholders may exercise their rights in the meeting shall be posted on the web page of the Bank, at least 30 days prior to the date set for the meeting and specified in the convening notice for the first assembly.
- 10.3 The annual financial statements, the annual reports of the Management Board and also the proposal for distributing dividends shall be made available to shareholders at the registered office of the Bank and shall be posted on the web page of the Bank, as from the date of publication of the notice convening the ordinary general meeting of shareholders.
- 10.4 Each shareholder may address questions in writing to the Management Board with regard to Bank's operations, prior to the date when the meeting is to take place, and answers shall be provided during the meeting or shall be posted on the web page of the Bank.

- 10.5 In case the convening notice contains a proposal for electing members of the Management Board, the Bank shall make available to the shareholders, information regarding the name, place of domicile, professional qualification of the individuals proposed for the position of member of the Management Board and that list shall be available to shareholders for consultation and supplementation, until 11 calendar days prior to the date set for the first assembly.
- 10.6 When the meeting agenda also contains proposals for amending the Articles of Association, the convening notice shall also contain the full text of the amendments proposed.

#### **Article 11. Prior formalities for exercising the right to vote in general meetings of shareholders**

- 11.1 Only shareholders registered in the Register of Bank's Shareholders on the reference date set by the Management Board are entitled to participate and vote in general meetings of shareholders.
- 11.2 All shareholders may attend the general meetings in person (in case of legal entities, by legal representative) or by representative, on the basis of a general or special proxy granted expressly for that respective general meeting (first or second call). All special proxies and general proxy (when first used) shall be submitted by represented shareholders to the Bank's registry or shall be delivered to the Bank by registered letter with acknowledgement of receipt, so that it should reach the Bank's office at least two (2) business days prior to the date envisaged for the first assembly of the meeting. Shareholders and their representatives shall present an identity document and a proxy, as the case may be, enabling them to participate in the general meeting of shareholders.
- 11.3 On the date and at the time specified in the convening notice for the first assembly of the general meeting, the President of the Management Board, in capacity of chairman of the meeting, shall open the meeting after establishing the fulfillment of all convening formalities and quorum requirements. The President of the Management Board shall preside the general meeting of shareholders. In exceptional circumstances, the President of the Management Board may delegate the power to preside the meeting to another member of the Management Board or officer of the Bank.
- 11.4 The chairman of the meeting may appoint, from among Bank's staff, any one or several technical secretaries, who shall have the following duties: (i) drawing up the minutes concerning the quorum and fulfillment of all legal and statutory protocols for carrying on with the meeting, and (ii) participating in all activities carried out by meeting secretaries.
- 11.5 The general meeting of shareholders appoints, from among the shareholders present or shareholders' representatives, one up to three secretaries who shall check the shareholders' attendance list, the part of the share capital that each shareholders represents, the minutes prepared by the technical secretaries and the fulfillment of all formalities required under the law and the Articles of Association for valid meetings, and then it may pass on to debating the issues on the agenda.
- 11.6 If the minimum quorum for the first call is not met within 30 minutes after the time specified in the convening notice, as published, the meeting shall assemble on the date of the second call, at the time and location and with the agenda specified in the convening notice, as published.
- 11.7 The resolutions made by the general meeting of shareholders shall be adopted by open vote, except when adopting resolutions regarding the following aspects (situations when voting is secret): appointing or revoking members of the Management Board, appointing, revoking or dismissing financial auditors of the Bank, adopting resolutions for holding members of the Management Board liable.

#### **Article 12. Quorum and majority**



- 12.1 The general quorum and majority requirements for general meetings of shareholders of the Bank on the first and second call are the following:
- a) for the ordinary general meeting of shareholders, at its first call – the meeting is validly assembled if shareholders representing at least  $\frac{1}{4}$  of the total number of voting rights are present in person or by representative and resolutions are adopted with the majority of the votes cast;
  - b) for the ordinary general meeting of shareholders, at its second call – the meeting is validly assembled irrespective of the number of shareholders present in person or by representative and resolutions are adopted with the majority of the votes cast;
  - c) for the extraordinary general meeting of shareholders, at its first call – the meeting is validly assembled if shareholders representing at least  $\frac{1}{4}$  of the total number of voting rights are present in person or by representative and resolutions are adopted with the majority of the votes held by the shareholders present or represented;
  - d) for the extraordinary general meeting of shareholders, at its second call – the meeting is validly assembled if shareholders representing at least  $\frac{1}{5}$  of the total number of voting rights are present in person or by representative and resolutions are made with the majority of the votes held by the shareholders present or represented.
- 12.2 Special quorum requirements for shareholders meetings resolving on the following matters:
- a) limitation or suspension of the preference right of Bank's shareholders, in case of share capital increase:
    - ✓ at least 85% of the share capital subscribed;
- 12.3 Special majority requirements for adopting resolutions by the general meeting of shareholders of the Bank are applicable in certain matters, as it follows:
- a) revoking members of the Management Board (on the first call):
    - ✓ at least  $\frac{2}{3}$  of the votes cast by the shareholders present in person or by representative;
  - b) amending the main business object of the Bank, increasing and reducing the share capital, merger, division, separation or dissolution of the Bank:
    - ✓ at least  $\frac{2}{3}$  of the votes held by the shareholders present in person or by representative;
  - c) limitation or suspension of the preference right of Bank's shareholders in case of share capital increase:
    - ✓ at least  $\frac{3}{4}$  of the voting rights;

### **Article 13 Formalities following the exercise of the right to vote in general meeting of shareholders**

- 13.1 The secretary or secretaries (as the case may be) of the general meeting of shareholders draw(s) up the meeting minutes, which is then signed by the President of the Management Board or by the person presiding the meeting, and also by the secretary or secretaries (as the case may be) of the general meeting of shareholders. The minutes record the fulfillment of the convening formalities, the date and place of the general meeting of shareholders, the shareholders present or represented, the number of shares held by the shareholders present or represented, summary of the debates and resolutions adopted and, at

- shareholders' request, the statements they made in the meeting. The minutes shall enclose all documents regarding the convening of the meeting, and also the shareholders' attendance list.
- 13.2 The minutes signed by the President of the Management Board and by the secretary or secretaries of the meeting shall be recorded in the register of general shareholders' meetings.
- 13.3 The resolutions of the general meeting of shareholders shall be submitted to the Trade Register within fifteen (15) days as from the date of the general meeting of shareholders, and shall be published in the Official Gazette and on the web page of the Bank.
- 13.4 The resolutions adopted by the general meeting of shareholders in accordance with the law and these Articles of Association are mandatory for and binding also to the shareholders who did not attend the meeting or voted against.
- 13.5 Shareholders who did not vote in favor of the proposals for
- (a) amending the main business object of the Bank,
  - (b) relocating the registered office of the Bank abroad,
  - (c) changing the legal form of the Bank,
  - (d) merger, separation, division of the Bank
- have the right to withdraw from the capacity of shareholders of the Bank and the right to request the Bank to buy their shares, in accordance with the companies law.
- 13.6 The shareholders opposing the resolutions made by the general meeting of the Bank with regard to mergers or divisions, and involving allocation of shares that are not allowed to trading on a regulated market, have the right to withdraw and obtain from the Bank an amount representing the equivalent value of the shares, in accordance with the capital market regulations.

## **CHAPTER V MANAGEMENT BOARD**

### **Article 14 Organization**

- 14.1 The Bank is managed in a unitary (single-tier) system, by a management board formed of 5 (five) members appointed by the ordinary general meeting of shareholders for a 4 (four)-year term, with the possibility of being reelected for subsequent 4 (four)-year terms.
- 14.2 Candidates to the position of Management Board member are nominated by shareholders or by current Management Board members and may only be individuals with reputation and expertise adequate to the nature, scope and complexity of the Banks' operations and to the responsibilities entrusted, so as to ensure a prudent and sound management of the Bank. In case a general meeting of shareholders is convened and its agenda includes the appointment of one or several administrators, the Management Board may publish on the web page of the Bank, at the same time with the publication of the convening notice, the criteria that all candidates proposed for the position of administrator must meet and any incompatibility cases.
- 14.3 The majority of Management Board members shall consist of non-executive members.
- 14.4 The members of the Management Board shall not be, at the same time, employees of the Bank. Likewise, the non-executive members of the Management Board shall not hold, at the same time, more than one term in a non-executive position, respectively one term in an executive position in another credit institution. Holding other terms in executive or non-executive positions shall be disclosed to the Ordinary General Meeting of Shareholders having the appointment of administrators on the agenda. Taking additional terms

- in executive or non-executive positions in other credit institutions, during the exercise of the appointment as administrator of the Bank shall be subject to prior approval of the Extraordinary General Meeting of Shareholders.
- 14.5 The term in office of each Management Board member appointed by the ordinary general meeting of the Bank shall start only after approval by the NBR (National Bank of Romania) in accordance with the regulations of the latter.
- 14.6 The Management Board shall convene the ordinary general meeting of Bank's shareholders having the appointment of one or several administrators on the agenda, and it shall assemble 3 (three) months prior to the expiry of any such term in office. The Management Board shall convene the ordinary general meeting of Bank's shareholders having the appointment of one or several administrators on the agenda as soon as: (i) it has received, from one of several Management Board members, a document whereby they relinquish their term in office, or (ii) one or several Management Board members have been revoked in accordance with the law.
- 14.7 The President of the Management Board is elected by the Management Board from among its members, for a term that shall not exceed his term in office as administrator. The President of the Management Board shall not hold simultaneously the position of general manager of the Bank, unless with approval of NBR, and in circumstances well justified by the Bank.
- 14.8 The President of the Management Board has the following duties:
- (a) coordinates the activity of the Management Board and reports it to the general meeting of Bank's shareholders;
  - (b) sees to the proper operation of Bank's bodies;
  - (c) convenes Management Board meetings, sets their agenda, sees to proper briefing of Management Board members with regard to the items in the agenda and presides the meetings;
  - (d) any other duties or responsibilities, as established in this Chapter or under the Internal Regulations of the Management Board ("**Internal Regulations of the Management Board**").
- 14.9 In case the President of the Management Board cannot attend or is prohibited to vote, the other members of the Management Board shall elect a chairman of the meeting, who shall have the same rights and obligations as the President of the Management Board, except for the right to casting vote, which its an exclusive right of the President of the Management Board.

## Article 15. Operation

- 15.1 The Management Board shall assemble in regular meetings, at least every 3 months, at initiative of the President of the Management Board, including at reasonable request of at least 2 (two) Management Board members or of the general manager. In case the convening in made at request, the initiators of such request shall establish the agenda of the meeting, and the President of the Management Board has the obligation to adhere to such request.
- 15.2 The convening notice for regular meetings shall be sent to Management Board members at least 5 (five) calendar days prior to the date envisaged for each regular meeting.
- 15.3 The convening notices for Management Board meetings shall be sent in writing, by messenger, by mail with acknowledgement of receipt or by electronic mail and shall include the agenda proposed, together with the relevant documentation, the place and time of the meeting and any additional documentation that the President of the Management Board may deem necessary. The issues not included in the agenda may be resolved only in emergency situations. The President shall resolve on the urgent nature of such issues.

- Management Board meetings may be held at any time, without convocation, if all Management Board members are present or if those not present expressly waive in writing the right to be convened to a meeting.
- 15.4 The Management Board may hold meetings also by telephone or videoconference or by mail. The content of the minutes prepared following such Management Board meetings by telephone or videoconference shall be confirmed in writing, by all Management Board members who participated in the meeting.
- 15.5 In exceptional circumstances justified by the urgent nature of the matter at hand and the best interest of the Bank, the decisions of the Management Board may be adopted by unanimous vote in writing of its members, without being required an assembly of that body. This procedure shall not apply in case of decisions regarding the annual financial statements of the Bank or its authorized capital.
- 15.6 The Management Board shall validly make decisions in presence of at least half of its members and by majority of its attending members. Resolutions regarding the appointment or revocation of the President of the Management Board shall be adopted by absolute majority of Board members. In case of split vote when the Management Board is making any decision, the President of the Management Board shall have the casting vote. In case any of the Management Board members does not have the right to vote, the attendance quorum and voting majority shall be reassessed, considering only the members with voting rights and provided that all Management Board members have been convened to the meeting or those absent from the meeting expressly agreed to waive this formality.
- 15.7 Management Board members may be represented in meetings by other Management Board members, by special power of attorney or proxy. A member present at a Management Board meeting may represent only one other Management Board member. The power of attorney or proxy shall be sent to the Bank prior to the Management Board meeting.
- 15.8 Minutes shall be prepared following each meeting, and they shall contain: the name of all participants, the agenda, debates, decisions made, number of votes obtained and any dissenting opinions. The minutes shall be recorded in the register of Management Board meetings and shall be signed by the President of the Management Board/ meeting chairman and any Management Board member appointed for this purpose during the meeting, and also by the meeting secretary, in accordance with the rules set in the Internal Regulations of the Management Board.

#### **Article 16. Powers and duties**

- 16.1 The Management Board is in charge of performing all actions that are necessary and useful for the achievement of the Bank's business object, except for those that the law reserves for the general meeting of shareholders.
- 16.2 The Management Board has the following fundamental powers that may not be delegated to managers:
- (a) establishing the main business and development course for the Bank;
  - (b) establishing the accounting policies and the financial control system and also the financial planning approach;
  - (c) appointing and revoking managers and establishing their remuneration;
  - (d) supervising managers' activity;
  - (e) preparing the annual report, organizing general meetings of shareholders and implementing their resolutions, setting a reference date for shareholders entitled to attend to and vote in the general meeting of shareholders;
  - (f) powers that the Management Board receives from the general meeting of Bank's shareholders;
  - (g) representing the Bank in the relationship with managers;

- (h) other powers and duties established by the legal provisions and which cannot be delegated to managers;
- (i) establishing advisory committees.

16.3 The Management Board has the following duties:

- (a) approves, supervises and is liable for implementation of a business governance framework that ensures efficient and prudent management of the Bank, including separation of responsibilities within the Bank and prevention of any conflicts of interest;
- (b) approves internal norms and any amendments thereto, and also any document for which the statutory and regulatory framework require approval powers at the level of the Management Board;
- (c) approves Bank's participation to the capital of other entities, in the conditions set by the banking law, and proposals for candidates to the management bodies of the entities in which the Bank has participating interests;
- (d) appoints and revokes members of the committees established to assist the Management Board;
- (e) sets the powers for (i) approval of loans and other commitments causing an exposure of the Bank; (ii) actions necessary for recovering non-performing loans, including, but without limitation to debt assignment; (iii) total/partial collection of loans;
- (f) approves the writing-off of loans in the operational activity and may delegate these powers in accordance with the provisions of the law and the internal regulations.
- (g) approves the collective employment agreement;
- (h) approval the internal regulations.

## *CHAPTER VI* **MANAGERS**

### **Article 17. Executive Managers**

- 17.1 The Management Board delegates the operative management and coordination of the daily operations of the Bank to several managers, appointing, from among them, a general manager and a deputy general manager.
- 17.2 The Managers act jointly, within the limits of the powers and duties set by the Management Board, in an Executive Committee having the following main powers and duties:
- (a) taking all necessary actions regarding the operative management of Bank's operations, observing the limitations set by the business object of the Bank and the exclusive powers of the Management Board and General Meeting of Shareholders;
  - (b) approving internal regulatory documents of the Bank and any amendments thereto, except for those for which the statutory and regulatory framework require exclusive competence of the Management Board;
  - (c) approving the interest applied to Bank's resources and investments;
  - (d) approving the fees and commissions in Lei and foreign currency;
  - (e) appointing or delegating the appointment of leaders of organizational structures in the Bank's Central Office, and also the leaders of units in the territorial network.

- 17.3 The Managers shall regularly and duly inform the Management Board on the actions taken.
- 17.4 The Bank is represented and bound by the General Manager and Deputy General Manager or by the General Manager/Deputy General Manager and one other Manager. The Bank may be represented and bound by signature also by other individual(s) authorized for this purpose by the General Manager and Deputy General Manager.
- 17.5. The meetings of the Executive Committee shall take place on weekly basis or whenever it may be necessary. The resolutions of the Executive Committee are adopted by absolute majority of the members' votes, respectively 50% + 1 of the total number of executive managers. The vote cannot be cast by proxy. Details regarding the decision-making process and other organizational details are established in accordance with the Executive Committee Charter, adopted by resolution of the Management Board.

## **CHAPTER VII**

### **Conduct**

#### **Article 18 Confidentiality**

- 18.1 The Management Board members, managers and employee of the Bank shall observe the confidentiality of any confidential information concerning the activities and operations of the Bank, as required under the applicable law and the management, mandate or labor contracts.
- 18.2 The Management Board members and the managers have an obligation of diligence and loyalty to the Bank.

## **CHAPTER VIII**

### **Dissolution and Liquidation of the Bank**

The dissolution and liquidation of the Bank shall be carried out in compliance with the applicable banking regulations.

These Articles of Association shall become valid and effective as from the date when NBR authorizes the Management Board members in single-tier management system. Until authorization by NBR in accordance with the abovementioned, the articles of association of the Bank approved by the extraordinary general meeting, updated in accordance with the Resolution of the Extraordinary General Meeting of Shareholders of 18.06.2015 shall continue effective.