

**ARTICLES OF ASSOCIATION OF
PATRIA BANK S.A.**

**Registered office: Bucharest, Sector 1, Strada Ion Brezoianu, Actor, nr. 31,
etajele 1, 2 and mansarda, Romania**

J40/9252/2016

CUI: 11447021

Subscribed and paid-up share capital: RON 376,239,921.30

**UPDATED BASED ON THE
DECISION OF THE MANAGEMENT BOARD
NO. OF 2017**

**CHAPTER I
General Provisions**

Article 1 Legal and Commercial Name, Legal Status, Applicable Law, Logo

- 1.1. Patria Bank S.A. is a Romanian legal entity, established and operating as a joint stock company managed as a sole directorship, in accordance with the applicable laws of Romania, especially with the companies laws and banking laws and with these Articles of Association, legally authorized by the National Bank of Romania (“**NBR**”) as a Romanian credit institution.
- 1.2. The legal and trade name of the company is Patria Bank S.A. Patria Bank S.A. shall be named “**Bank**” in these Articles of Association.
- 1.3. In any form of registration, as well as in any official document, contract or any other documents, the initials, logo, emblem or similar signs or symbols of the Bank will only be used by the Bank and its branches, subsidiaries, representation office or agencies.
- 1.4. Any invoice, offer, order, rate, prospectus or other document issued by the Bank will indicate the name of the Bank, as well as its legal status, registered office, number in the Trade Register, single code of registration and subscribed and paid-up share capital.

Article 2 Registered Office and Secondary Offices

- 2.1 **The registered office is in Bucharest, Sector 1, Str. Brezoianu Ion, Actor, nr. 31, etajele 1, 2 and mansarda, Romania and the actual office is in Bucharest, 42 Pipera Road, GLOBALWORTH PLAZA building, 7, 8 and 10 floors, 2nd district.**
- 2.2 The registered or head office of the Bank can be relocated to any other address, but only in Romania.
- 2.3 The Bank holds and can established unincorporated secondary offices, that is branches, agencies, business unit or, representation offices, as well as incorporated subsidiaries in Romania and abroad, in accordance with these Articles of Incorporation, the legislation applicable to companies and the banking legislation.

Article 3 Term

- 3.1 The Bank is register and operates for an unlimited term.
- 3.2 The Bank can cease its operations in accordance with the effective provisions under the legislation applicable to companies and credit institutions.

CHAPTER II

Capital and Funds of the Bank

Article 4 Share Capital and Shares

- 4.1** The share capital of the Bank, subscribed and paid up in full by the shareholders, amounts to RON 376,239,921.30, divided into 3,762,399,213 registered, ordinary shares, each having a face value of RON 0.1.
- 4.2** The shares issued by the Bank are nominative, ordinary and issued in an uncertified form by entering them in the register of shareholders, and have an equal face value, entitling the holder thereof to equal rights.
- 4.3** Each share issued by the Bank that is paid for and owned by any person (other than the Bank) entitles to one vote in the general meetings of shareholders, unless the shareholders decide that the Bank issues not-voting preference shares.
- 4.4** The shares are indivisible, and the Bank shall only recognize one holder for each share. When a share is held in undivided property by more persons, they will designate a representative to exercise the rights stemming from the holding of the respective share.

Article 5 Increase/Decrease of the Share Capital

- 5.1** The share capital of the Bank can be increased by resolution of the extraordinary general meeting of the shareholders, in keeping with the applicable provisions under the law of companies and the banking law.
- 5.2** Shares cannot be issued for an issue price that is lower than their face value. Nevertheless, shares can be issued for an issue price that is higher than or equal to than their face value.
- 5.3** The shares issued under a capital increase will be offered, in keeping with the applicable legal provisions, to the shareholders of the Bank for the letter to exercise their preemption rights, unless the preemption right has been terminated pursuant to the legal provisions. When, after the lapse of the period afforded for the exercise of the preemption right, the newly-issued shares have not been subscribed for in full, the unsubscribed shares can be either cancelled, or offered to third party pursuant to the resolution of the competent corporate body that approved the respective capital increase.
- 5.4** The share capital shall be decreased in observance of the applicable legal provisions, and of the minimum share capital level imposed under the banking legislation.
- 5.5** When the decrease of the share capital is caused by losses, the share capital can only be decreased by reducing the number of issued shares, or by reducing the face value of the shares, in which case the decrease by returning to shareholders a part of their share capital contributions is prohibited.
- 5.6** The resolution to decrease the share capital shall state the reasons for such decrease and the procedure to be employed for its implementation.

Article 6 Register of Shareholder and Transfer of Shares

- 6.1** During the time when the shares issued by the Bank are admitted for trading on the regulated spot market managed by Bursa de Valori Bucuresti - S.A (Bucharest Stock Exchange), the register of the Bank's shareholder shall be kept, pursuant to the law by Depozitarul Central S.A.
- 6.2** As between the Bank and shareholders, the ownership of the shares becomes effective only further to and as of the date of entering the respective shareholder in the register of

shareholders. Any transfer that is not entered in the register of shareholder shall not take legal effect for the Bank, and the Bank shall not recognize the assignee as shareholder of the Bank.

- 6.3** Any change in the identification or contact data indicated in the register of shareholders needs to be notified by the shareholder under a letter sent to Depozitarului Central SA, or to any other entity provided under the law, having enclosed documents in support of the aforementioned data change. The Bank shall not be responsible for the consequences of any failure to have the data entered in the register of shareholder updated.
- 6.4** During the time when the shares issued by the Bank are admitted for trading on the regulated spot market managed by Bursa de Valori Bucuresti - S.A (Bucharest Stock Exchange), any transfer of shares issued by the Bank shall take place in observance of the stock market legislation.

CHAPTER III Business of the Bank

Article 7 Field of Business and Core Business

7.1 The core business of the Bank is performance of banking and financial operations:

6419 - Other monetary intermediation:

- a) collection of deposits and grant raising (CAEN Code 6419);
- b) loan granting, including, among others: consumer loans, mortgage loans, financing of business transactions, factoring with or without recourse, discounting, clearing (CAEN Code 6419);
- c) payment operations (CAEN code 6419);
- d) issuance and management of means of payment, such as: credit cards, travellers' cheques and similar, including issuance of electronic currency (CAEN code 6419);
- e) issuance of securities and pledging (CAEN code 6419);
- f) trading in its own name or in the name of clients, in keeping with the law, of:
 - 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)
 - financial futures and options (CAEN code 6419)
 - exchange rate and interest rate instruments (CAEN code 6419)
 - units in collective investment undertakings (CAEN code 6419);
- g) participation in issues of securities and other financial instruments, by subscribing and investing thereof, or by investment and provision of services in connection with such issues (CAEN code 6612 - Financial transaction brokerage and fund management (financial agents));
- h) consultancy on equity structuring, business strategies and other business matters, services for mergers and acquisitions and provision of other consultancy services (CAEN code 6619 - Other activities auxiliary to financial services (except insurance and pension funding));
- i) intermediation on the interbank market (CAEN code 6419);
- j) management of client portfolio and consultancy in connection therewith (CAEN code 6612 - Financial transaction brokerage and fund management (financial agents));
- k) custody and management of financial instruments (CAEN code 6419);
- l) provision of data supply and credit reference services (CAEN code 6419);
- m) rental of safety deposit boxes (CAEN code 6419);

- n) depositing of assets of investment funds and companies (CAEN code 6419);
- o) distribution of equity in investments funds and stock of investment companies (CAEN code 6499 - Other financial intermediation);
- p) acting as operator of the Electronic Archive for Secured Transactions (CAEN code 6619 - Other activities auxiliary to financial services (except insurance and pension funding));
- q) operations with precious metals and objects made of precious metals (CAEN code 6419);
- r) acquisition of holdings in the capital of other entities (CAEN code 6420);
- s) renting of movable and immovable property, as per the law (CAEN code 6820)
- t) marketing of privately managed pension funds, and marketing of voluntary pension funds (CAEN code 6629).

7.2 The Bank also pursues the following services ancillary or connected to the code business:

- a) operations with movable and immovable property acquired further to execution of the Bank's claim (CAEN code 6810);
- b) provision of client services, including valuation of movable and immovable property for acceptance thereof as loan securities, expert review of technical and economic documentations and pre-feasibility and feasibility studies submitted by clients in support of their applications for investment loans (CAEN code 6619);
- c) domestic freight with own and rented means to cover for the Bank's general needs (monetary assets, gold and other precious metals, foreign currency, cheques, other commercial papers and settlement instruments, regular or other important vouchers, other similar assets (CAEN code 4941);
- d) in-house organization and delivery of professional training to employees (CAEN code 8559).

7.3 In pursue of its business and the operations pertaining thereto, the Bank issues internal regulations.

CHAPTER IV

General Meetings of Shareholders

Article 8 Types of Meetings; Powers and Duties

8.1 The governing body of the Bank is the general meeting of shareholders. The general meetings of shareholders can be either ordinary, or extraordinary.

8.2 The ordinary general meeting of shareholders deliberates and resolves on the following aspects:

- a) discussion, approval or modification of the annual financial statements, based on reports of the Board of Directors and those of the financial auditor, and determination of the dividends;
- b) selection and revocation of the members of the Board of Directors;
- c) appointment and dismissal of the financial auditor, and setting of the minimum term of the financial audit agreement;
- d) setting of the remuneration due to the members of the Board of Directors for the year in progress;
- e) assessment of the work of the members sitting in the Board of Directors, and discharging the members of the Board of Directors for the previous financial year;

- f) approval of the revenues and expenditure budget and, if applicable, the activity programme for the next financial year;
- g) approval of the legal actions to be taken against the members of the Board of Directors or the financial auditor, and appointment of the person authorized to represent the Bank in such actions;
- h) any other aspects included on the agenda of the meeting and that fall within the competence of the ordinary general meeting of shareholders under the law.

8.3 The extraordinary general meeting of shareholders deliberates and resolves on the following aspects:

- a) changing the legal status of the Bank;
- b) changing the core business of the Bank;
- c) increase and decrease of the share capital of the Bank;
- d) merger, division or spin-off of the Bank, unless the resolution of the shareholders on this type of merger or division is not required under the law;
- e) early winding up the Bank;
- f) converting shares from one category to another;
- g) issuance of bonds, and the general terms and conditions thereof;
- 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 instruments executed by the Board of Directors in the name of the Bank for acquisition, sale, lease or pledging the Bank's assets, when the carrying value of these assets exceeds fifty (50) percent of the carrying value of the Bank's assets as at the date when such an instrument is executed, by reference to the latest annual financial statements;
- j) any amendment of the Bank's Articles of Association;
- k) prior approval of any acquisition or transfer to or by one or members of the Board of Directors, in a personal capacity, of assets from or to the Bank, when the amount thereof exceeds ten (10) percent of the net assets of the Bank;
- l) prior approval of any acquisition, transfer, exchange or pledging instruments s regards the long-term assets of the Bank, the amount of which exceeds, either individually or aggregately, during one financial year, 20% of the total long-term assets, less the claims;
- m) prior approval of any lease of tangible assets for longer than one year, the individual or aggregate amount of which, by reference to the same co-contractor or persons involved or persons acting in concert, exceeds 20% of the total long-term assets, less the claims as at the execution date of the legal instrument, as well as of the associations entered into for longer than one year and that exceeds the same percentage;
- n) any other aspects included on the agenda of the meeting and that fall within the competence of the extraordinary general meeting of shareholders under the law.

8.4 The following powers are expressly delegated to the Board of Directors:

- a) modification of the secondary business of the Bank;
- b) relocation of the register and/or head office of the Bank;

- c) establishment or close-down of secondary offices: unincorporated branches, agencies, business units, representation offices or similar units.

Article 9 Convening the General Meetings of Shareholders

- 9.1 The Board of Directors can convene the general meeting of shareholders whenever necessary. The ordinary general meeting of shareholders meets at least once a year, no later than four months after the end of the financial year.
- 9.2 The general meeting shall meet after the lapse of at least 30 days since publication of the notice to attend in the Official Gazette of Romania, in the venue and on the date indicated in the notice to attend for the first or the second convened meeting.
- 9.3 The notice to attend containing the minimum information required under the law shall be published in the Official Gazette of Romania, Part IV, in a widely distribute newspaper and on the website of the Bank, in observance of the provisions under the stock market legislation.
- 9.4 One or more shareholders, representing individually or together at least 5% of the share capital, may file a written application to the Board of Directors to ask for addition of new items to the agenda, as such was published, within 15 days since publication of the notice to attend in the Official Gazette.
- 9.5 To the extent that the application for supplementing the agenda meets the legal conditions, the Board of Directors shall republish the notice to attend with the agenda thus supplemented in accordance with art. 9.3 above, at least 10 days before the date set for the first holding of meeting indicated in the notice to attend.
- 9.6 The Board of Directors convenes the general meeting forthwith further to the request of the shareholders representing, individually or together, at least 5% of the share capital, provided that the request covers matters that fall within the powers of the meeting. In this case, the general meeting shall be convened within maximum 30 days and shall be held in not more than 60 days since the date when the abovementioned request is registered with the Bank.
- 9.7 No resolutions may be adopted on matters on the agenda that have not been published in the notice to attend.

Article 10 Access to Information in connection with the General Meetings of Shareholders

- 10.1 The notice to attend a general meeting shall have the minimum content set under the stock market legislation.
- 10.2 All the documents and information in connection with the items in the agenda of the general meeting of shareholders and the exercise by the shareholders of their rights in the meeting will be published in the website of the Bank at least 30 days before the date set for the meeting, as indicated in the notice to attend the first holding of the meeting.
- 10.3 The annual financial statements, the annual reports of the Board of Directors, as well as the proposal of dividend distribution will be made available to the shareholders in the register office of the Bank and will be published on the website of the Bank as of the date when the notice to attend the ordinary general meeting of shareholders is published.
- 10.4 Each shareholder may ask the Board of Directors written questions about the business of the Bank before the date of the meeting, and the answers thereto will be provided either during the meeting, or on the website of the Bank.
- 10.5 When the notice to attend contains a proposal for election of the members of the Board of Directors, the Bank shall make available to shareholders information about the name,

residence and professional qualification of the persons proposed for of the office of member of the Board of Directors, and this list remains available for review and additions by the shareholders until the 11th calendar day before the date set for the first holding of the meeting.

- 10.6** When the agenda includes also proposals to amend the Articles of Association, the notice to attend shall also include the full text of the proposed amendments.

Article 11. Formalities Before the Exercise of the Voting Right in the General Meetings of Shareholders

- 11.1** Only the shareholders that are entered into the register of the Bank's shareholders on the reference date set by the Board of Directors are entitled to attend and vote in the general meetings of shareholders.
- 11.2** All the shareholders may participate in the general meetings in persons (for legal entities, through the legal representative) or by proxy, under a general or special power of attorney granted expressly for the respective general meeting (the first or the second call). The special powers of attorney and the general power of attorney (when first used) will be submitted by the shareholders to be represented with the registration office of the Bank, or will be sent to the Bank as registered letter with acknowledgement of receipt so that it reaches the office of the Bank at least two (2) business days before the first holding of the meeting. The shareholders and the representatives will show an ID and a power of attorney, as applicable, to be able to participate in the general meeting of the shareholders.
- 11.3** On the date and at the time indicated in the notice to attend for the general meeting, at the first call, the Chairman of the Board of Directors, as chairman of the meeting, shall open the meeting after having found that the convening formalities and the quorum requirements were met. The Chairman of the Board of Directors shall chair the general meeting of the shareholders. In exceptional cases, the Chairman of the Board of Directors may delegate the powers to chair the meeting to another member or director of the Bank.
- 11.4** The chairman of the meeting may appoint, from the Bank's staff, one or more technical secretary to carry out the following duties: (i) drawing up the minutes regarding the quorum and completion of all the legal and statutory formalities for holding the meeting, and (ii) participation in all the activities due to be performed by the secretaries of the meeting.
- 11.5** The general meeting of the shareholders appoints, from the present shareholders or the representatives thereof, one to three secretaries to check the attendance list of the shareholders, the share of capital they represent, the minutes drafted by the technical secretaries and completion of all the formalities required under the law and the Articles of Association for holding the meeting, and then proceeds to debating the items on the agenda.
- 11.6** If the minimum quorum required for the first call is not met within 30 minutes since the time indicated in the published notice to attend, the meeting shall resume on the state of the second call, at the time, in the venue and with the agenda indicated in the published notice to attend.
- 11.7** The resolutions of the general meeting of shareholders will be passed by show of hands, except for the resolutions on the following matters (when the vote shall be by secret ballot): appointment or revocation of the members of the Board of Directors; appointment, revocation or dismissal of the financial auditors of the Bank; passing of the resolution for triggering the liability of the members of the Board of Directors.

Article 12. Quorum and Majority

12.1 The general quorum and majority requirements for the general meeting of shareholders of the Bank, at the first and second call, are as follows:

- a) for the ordinary meeting of the shareholders, at the first call, the meeting is legal when shareholders representing at least 1/2 of the total number of the voting rights are present in person or by representatives, and the resolutions are adopted with the majority of the votes cast;
- b) for the ordinary meeting of the shareholders, at the second call, the meeting is legal regardless the number of shareholders present in person or by representatives, and the resolutions are adopted with the majority of the votes cast;
- c) for the extraordinary meeting of the shareholders, at the first call, the meeting is legal when shareholders representing at least 1/2 of the total number of the voting rights are present in person or by representatives, and the resolutions are adopted with the majority of the votes held by the present or represented shareholders;
- d) for the extraordinary meeting of the shareholders, at the second call, the meeting is legal when shareholders representing at least 1/2 of the total number of the voting rights are present in person or by representatives, and the resolutions are adopted with the majority of the votes held by the present or represented shareholders.

12.2 Special quorum requirements for the general meetings that resolve on the following aspects:

- a) limitation or suspension of the preemption right of the Bank's shareholders in case of share capital increase:
 - ✓ at least 85% of the subscribed share capital;

12.3 Special majority requirements for passing resolutions by the general meeting of the shareholders of the Bank are applicable only to certain matters, as follows:

- a) revocation of the members of the Board of Directors (at the first call):
 - ✓ at last 2/3 of the votes cast by the present or represented shareholders;
- b) modification of the core business of the Bank; increase and decrease of the share capital; merger, division, spin-of and winding up of the Bank:
 - ✓ at last 2/3 of the votes held by the present or represented shareholders;
- c) limitation or suspension of the preemption right of the Bank's shareholders in case of share capital increase:
 - ✓ at least ¾ of the voting rights.

Article 13 Formalities After the Exercise of the Voting Right in the General Meetings of Shareholders

- 13.1** The secretary or the secretaries (as applicable) of the general meeting of shareholders draw(s) up the minutes of the meetings that is signed by the Chairman of the Board of Directors or the person that chairs the meeting, as well as by the secretary or the secretaries (as applicable) of the general meeting of shareholders. The minutes document that the convening formalities have been completed, the date and venue of the general meeting of the shareholders, the present or represented shareholders, a summary of the debates and of the resolutions adopted, and, at the request of the shareholders, their declarations in the meeting. The minutes shall have enclosed all the documents regarding the convening of the meeting, as well as the shareholder attendance list.
- 13.2** The minutes signed by the Chairman of the Board of Directors and the secretary or the secretaries of the meeting is entered in the register of the general meetings of shareholders.
- 13.3** The resolutions of the general meeting of the shareholders are submitted, within fifteen (15) days since the date of the general meeting of the shareholders, with the Trade Register and will be published in the Official Gazette and on the website of the Bank.
- 13.4** The resolutions adopted by the general meeting of the shareholder in keeping with the law and these Articles of Association, are binding on and enforceable against the shareholders that did not attend the meeting, or voted against.
- 13.5** The shareholders that did not vote for the proposals of
- (a) modification of the core business of the Bank,
 - (b) relocation of the registered office of the Bank abroad,
 - (c) changing the legal status of the Bank,
 - (d) merger, spin-off, division of the Bank
- have the right to withdraw from the capacity of shareholders of the Bank and to ask to the Bank for their shares to be acquired, pursuant to the provisions of the law on companies.
- 13.6** The shareholders that do not agree with the resolutions adopted by the general meeting of the Bank regarding mergers or divisions, that involve allocation of shares that are not admitted to trading on a regulated market, have the right to withdraw and obtain from the Bank an amount that represents the equivalent value of the shares, pursuant to the stock market legislation.

CHAPTER V BOARD OF DIRECTORS

Article 14 Organization

- 14.1** The Bank is managed in a consistent system, by a Board of Directors formed of 5 (five) members appointed by the ordinary general meeting of shareholders for a term of office of 4 (four) years, with the possibility of reappointment for subsequent terms of offices of 4 (four) years.
- 14.2** The candidates for the offices of member in the Board of Directors are nominated by the shareholders or the existing members of the Board of Directors and can only be natural persons with a reputation and experience that are appropriate for the nature, scope and complexity of the Bank's business and the duties entrusted to them, in order to support a diligent and sound management of the Bank. When a general meeting of shareholders is called to resolve on appointment of one or more directors, the Board of Directors may published on the website of the Bank, at the same time as publication of the notice to

attend, also the criteria that all the candidates proposed for the office of director must meet, and the incompatibility cases.

- 14.3** The majority of the members of the Board of Directors shall be formed of non-executive members.
- 14.4** The members of the Board of Directors cannot be employees of the Bank. Similarly, the non-executive members of the Board of Directors cannot simultaneously hold more than one non-executive office and, respectively, one executive office with another credit institution. Holding of other executive or non-executive offices shall be disclosed to the Ordinary General Meeting of Shareholders that is to be called to resolve on the proposed appointment of directors. Taking over executive or non-executive offices in other credit institutions, while holding the office of director of the Bank, shall be submitted to prior approval of the Extraordinary General Meeting of the Shareholders.
- 14.5** The office of each member of the Board of Directors appointed by the ordinary general meeting of the Bank is only effective after approval thereof by the National Bank of Romania, pursuant to its regulations.
- 14.6** The Board of Directors shall convene the ordinary general meeting of shareholders of the Bank that is to resolve on appointment of one or more directors and this meeting shall be held with not more than 3 (three) months before the expiry of the term of office of each of them. The Board of Directors shall convene the ordinary general meeting of shareholders of the Bank that is to resolve on appointment of one or more directors as soon as: (i) it received the document whereby one or more members of the Board of Directors withdraw(s) from office, or (ii) one or more members of the Board of Directors were revoked pursuant to the law, and the withdrawal and/or revocation documents under (i) and/or (ii) cause reduction of the number of directors under the minimum legal limit of 3 members. In case one or more director offices become(s) vacant, the Board of Directors may proceed to appointment of provisional directors pending the general meeting of the shareholders of the Bank.
- 14.7** The Chairman of the Board of Directors is elected by the Board of Directors among its members for an office term that cannot exceed the term of their director office. The Chairman of the Board of Directors shall not simultaneously act also as general manager of the Bank, unless this has been approved by the National Bank of Romania in cases for which the Bank provided sound supporting arguments.
- 14.8** The Chairman of the Board of Directors has the following duties and powers:
- (a) to steer the work of the Board of Directors, and to report thereon to the general meeting of the Bank's shareholders;
 - (b) to see to the proper operation of the Bank's bodies;
 - (c) to call the meetings of the Board of Directors, to determine the agenda of the meetings, to see that the members of the Board of Directors are properly informed of the items of the agenda, and to chair the meetings;
 - (d) any other duties and powers that are laid down under this Chapter, or in the Organization and Functioning Regulation of the Board of Directors ("**Organization Regulation of the Board of Directors**").
- 14.9** When the Chairman of the Board of Directors cannot attend or is prohibited from voting, the other members of the Board of Directors will elect a chairman of the meeting, who shall have the same rights and duties as the Chairman of the Board of Directors, except for the casting vote, that is an exclusive right of the Chairman of the Board of Directors.

Article 15. Functioning

- 15.1** The Board of Directors shall meet regularly, at least once every three months, called by the Chairman of the Board of Directors, including further to the grounded request of at least 2 (two) members of the Board of Directors, or of the General Manager. When the convening is at request, the requesting parties will determine the agenda of the meeting, and the Chairman of the Board of Directors is under the obligation to act upon such a request.
- 15.2** The notice to attend the regular meetings is sent to the members of the Board of Directors at least 5 (fives) calendar days before the date proposed for the regular meeting.
- 15.3** The notices to attend the meetings of the Board of Directors are sent in writing, by courier, by mail with acknowledgement of receipt or by email, and will include the proposed agenda, together with the related documentations, the venue and time of the meeting, as well as any additional documentation that the Chairman of the Board of Directors finds necessary. Any matter that is not featured in the agenda can only be decided in urgent cases. The Chairman shall decide on the urgency of the matters. The meetings of the Board of Directors can be held at any time, without notice to attend, when all the members of the Board of Directors are present or if those that are not present expressly waive in writing their right to be formally convened.
- 15.4** The Board of Directors can hold meetings by telephone or videoconference or by mail. The content of the minutes drafted further to such a meeting of the Board of Directors held by telephone or videoconference shall be confirmed in writing by all the members of the Board of Directors that attended the meeting.
- 15.5** In exceptional cases, justified by the urgency of the situation and the interest of the Bank, the resolutions of the Board of Directors can be adopted by the unanimous written vote of the members, without a meeting of the respective body being required. This procedure cannot be employed for resolutions that regard the annual financial statements of the Bank or its authorized capital.
- 15.6** The decisions of the Board of Directors shall be validly made in the presence of at least half of its members and with the majority of the votes of the attending members. The resolutions for the appointment or revocation of the Chairman of the Board of Directors will be adopted with the vote of the absolute majority of the Board's members. For any resolution of the Board of Directors, in case of a tie, the Chairman of the Board of Directors shall have the casting vote. If any of the members of the Board of Directors has no voting right, the quorum and the voting majority will be recalculated taking into consideration only the members with voting rights, provided that all the members of the Board of Directors were called to attend the meeting or that the missing members expressly waived such formality.
- 15.7** The members of the Board of Directors may be represented in the meetings by other members of the Board of Directors, holding a special power of attorney or authorization. In a meeting of the Board of Directors, a present member may only represent one other member of the Board of Directors. The power of attorney or authorization shall be submitted to the Bank before the meeting of the Board of Directors.
- 15.8** Every meeting concludes with drafting of a minute that contains: names of the participants, agenda, deliberations, decisions made, number of votes and separate options. This minutes is entered into the register of the meetings of the Board of Directors and shall be signed by the Chairman of the Board of Directors/chairman of the meeting and one of the members of the Board of Directors designated for this purpose in the meeting, as well as by the meeting secretary, in accordance with the rules laid down under the Organization and Functioning Regulation of the Board of Directors.

Article 16. Duties and Powers

- 16.1** The Board of Directors is tasked with performance of all the operations that are necessary and useful for the pursue of the Bank's business, save for those reserved under the law for the general meeting of shareholders.
- 16.2** The Board of Directors has the following powers that cannot be delegated to managers:
- (a) setting the key business and development lines for the Bank;
 - (b) determination of the accounting policies and of the financial control system, and approval of the financial planning;
 - (c) appointment and removal of directors and determining their remuneration;
 - (d) supervising directors' activity;
 - (e) drawing up of the annual report, holding the general meeting of shareholders and implementation of its resolutions, and setting the reference date for the shareholders entitled to attend and vote in the general meeting of shareholders;
 - (f) the powers granted to the Board of Directors by the general meeting of shareholders of the Bank;
 - (g) representation of the Bank in relation with the managers;
 - (h) any other powers and duties set under the law and that cannot be delegated to the managers;
 - (i) setting up advisory commissions.
- 16.3** The Board of Directors has the following duties:
- (a) to approve, oversee and be liable for implementation of a business management framework that would support effective and prudent management of the Bank, including segregation of the duties within the Bank and prevention of conflicts of interests;
 - (b) to approve the internal regulations and the amendments thereof, as well as any other documents that, under the legal and regulatory framework, require approval by the Board of Directors;
 - (c) to approve participation of the Bank in the capital of other entities, in keeping with the provisions of the banking legislation, and the proposals of candidates for the management offices of the entities where the Bank has holdings;
 - (d) to appoint and revoke the members of the committees established to support the Board of Directors;
 - (e) to set the powers for (i) approval of loans and other commitments that trigger an exposure for the Bank; (ii) the measures required to recover the non-performing loans, including, without limitation to, claim assignment; (iii) total/partial collection of claims;
 - (f) to approve writing off of the operating claims and to delegate these powers pursuant to the legal provisions and the internal regulations;
 - (g) to approve the Collective Bargaining Agreement;
 - (h) to approve the Organization and Functioning Regulation.

CHAPTER VI MANAGERS

Article 17. Managers

- 17.1** The Board of Directors delegates management of the Bank to a number of managers, appointing among them a general manager; the rest will be deputy general managers.

- 17.2** Within the limit of the powers and duties set by the Board of Directors, the general manager and the deputy general managers act together in a Management Board, having the following main powers and duties:
- (a) to take all the measures required by the operational management of the Bank's business, subject to the limitations imposed to the core business of the Bank and the exclusive powers of Board of Directors and of the General Meeting of Shareholders;
 - (b) to approve the internal regulations of the Bank and the amendments thereof, save for the ones that are exclusively reserved to the Board of Directors under the law;
 - (c) to approve the interests applied to the resources and investments of the Bank;
 - (d) to approve the rates and commissions in RON and foreign currency;
 - (e) to appoint the heads of the organizational structures in the Bank's Headquarters, as well as the heads of the territorial units.
- 17.3** The general manager and the deputy general managers will inform the Board of Directors, regularly and adequately, of the operations undertaken.
- 17.4** The Bank is represented and bound by the general manager jointly with any of the deputy general managers. In absence of the general manager, the Board of Directors shall appoint the deputy general manager that represents and binds the Bank in lieu of the general manager, jointly with any of the other deputy general managers. The Bank may be represented and bound by signature also by another/other person(s) that is/are authorized for this purpose by the general manager (or the manager appointed by the Board of Directors in absence of the general manager), jointly with any of the deputy general managers.
- 17.5.** The meetings of the Management Board take place weekly or whenever necessary. The resolutions of the Management Board are adopted with the absolute majority of the votes of the members, namely with 50% + 1 of the total number the managers that form the Management Board. The vote cannot be cast by proxy. The details about the decision-making process and any other organizational details are set under the provisions of the Statute of the Management Board, which is adopted by resolution of the Board of Directors.

CHAPTER VII

Conduct

Article 18 Confidentiality

- 18.1** The members of the Board of Directors, the managers and the employees of the Bank are required to keep confidential all the confidential information that regard the activities and operations of the Bank, as provided under the applicable legislation and the management, mandate or employment agreements.
- 18.2** The members of the Board of Directors and the managers have a duty of diligence and loyalty towards the Bank.

CHAPTER VIII
Winding-up and Liquidation of the Bank

Winding-up and liquidation of the Bank will occur in observance of the applicable banking legislation.

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These Articles of Association have been drawn up in its current form under the Decision of the Management Board no. from, in 5 original counterparts in Romania, today, the date of their certification.

General Director
Bogdan Merfea