Bank of China Limited Procedural Rules for Board of Directors

Chapter 1  General Provisions

Article 1.  For the purpose of ensuring directors to exercise their functions and powers independently, normatively, and effectively according to laws, and board of directors to work effectively and make decisions scientifically, Bank of China Limited (hereinafter referred to as the “Bank”) formulated the Bank of China Limited Procedural Rules for Board of Directors (hereinafter referred to as the “Procedural Rules”) in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “Company Law”), the Securities Law of the People’s Republic of China (hereinafter referred to as “Securities Law”), Bank of China Limited Articles of Association (hereinafter referred to as the “Articles”) , and other relevant laws, regulations and regulatory documents and in consideration of the Bank’s practical situation.

Article 2.  The board of directors is the decision-making body of the Bank, and is responsible to the shareholders’ meeting. The board of directors shall exercise its functions and powers in accordance with Company Law, Securities Law, Articles, Procedural Rules and other relevant laws, regulations and regulatory documents.

Article 3.  For the purpose of laying out the rules of board of directors exclusively and completely, this Procedural Rules take certain relevant provisions from the Articles. When relevant provisions of the Articles are changed after following proper procedures, corresponding provisions of this Procedural Rules shall be changed automatically.

Chapter 2  Composition of Board of Directors

Article 4.  The board of directors shall be composed of 5 to seventeen 17 directors, including one chairman of the board and one vice chairman of the board. Directors of the Bank are composed of Executive Directors and Non-Executive Directors that include Independent Directors. The number of directors who serve as the president, vice president and hold other senior management positions of the Bank shall not exceed one third of the total number of directors of the Bank. At least three of the members of the board of directors shall be independent directors. Directors shall be elected by the shareholders’ meeting and serve a term of office of three years calculated from the day approved by the China Banking Regulatory Commission. A director may serve
consecutive terms if re-elected upon the expiration of his/her term.

Article 5. The chairman and the vice chairman of the board shall be directors of the Bank. They shall be elected and removed by more than half of all the directors. The legal representative or the principal personnel of the controlling shareholder(s) shall not serve as the chairman of the board of directors. The roles of the chairman of the board of directors and the president of the Bank shall be different, which shall not be served by one person. The vice chairman shall assist the chairman in his/her work.

Article 6. Special committees are set up under the board of directors, which shall assist the board of directors to fulfill its functions under the authorization of the board. The special committees set up under the board of directors include without limitation: Strategy Development Committee, Audit Committee, Risk Policy Committee, Human Resources and Remuneration Committee, and Connected Transaction Control Committee, etc. Each special committee is responsible to the board of directors and is composed of at least three members who must be directors. The chairman of the Audit Committee shall be an independent director. The board of directors can establish other committees or re-constitute the existing committees according to its needs. The board of directors will make procedures of all special committees.

Article 7. The board of directors shall establish the position of the board secretary. The board secretary is a senior management personnel of the Bank and is appointed by the board of directors and is responsible to the board of directors.

The Bank’s directors or senior management personnel may hold the position of the board secretary concurrently. Nevertheless, the supervisors of the Bank cannot hold the position of the board secretary concurrently. No certified accountant from the accounting firm or lawyer from the law firm as engaged by the Bank may concurrently hold the position of the board secretary.

The board secretary shall be nominated by the chairman of the board of directors and appointed or dismissed by the board of directors. If a director of the Bank holds the position of the board secretary concurrently, in the case that any action needs to be taken by the director and the board secretary respectively, such person holding the positions of director and the board secretary concurrently shall not take such action in both of his/her capacities.

Article 8. The Bank sets up Board Secretariat to assist the board secretary’s work.
Chapter 3    Functions and Powers of Board of Directors

Article 9.  The board of directors shall exercise the following functions and powers:

1. to be responsible for convening shareholders’ meeting and to report its work to shareholders’ meeting;

2. to implement the resolutions of shareholders’ meeting;

3. to decide on strategic policies, business plans and material investment plans of the Bank except for those material investment plans that are subject to shareholders’ meeting approval as specified in this Articles;

4. to formulate the proposed annual financial budgets and final accounts of the Bank;

5. to formulate the plans for profit distribution, loss making-up of the Bank and risk capital distribution;

6. to formulate plans for the increase or reduction in the registered capital of the Bank, the issuance of other securities, public listing and for the issuing of bonds;

7. to draft plans for substantial acquisition, repurchase of the Bank’s stocks or plans for merger, division, dissolution or change of incorporation nature of the Bank;

8. to examine and approve connected transactions which require board approvals under laws, administrative regulations and other relevant governing rules;

9. to review and decide on the establishment of the Bank’s basic administrative system, internal management framework and important sub-entities;

10. to appoint or dismiss the Bank’s president, the board secretary and the chairmen of the special committees; to appoint or dismiss the Bank’s vice president, assistant president, chief financial officer, chief risk officer and other senior management personnel according to the president’s nomination; to appoint or dismiss the chief audit officer according to the nomination of the Audit Committee and decide on his/her remuneration and awards and punishment; to appoint or dismiss members of the special committees according to the nomination by the Human Resources and Remuneration Committee;
11. to examine and approve the policies regarding laws and regulation compliance and the relative basic management system of the Bank;

12. to formulate proposals for amendment of the Articles of the Bank, and report to the shareholders’ meeting for approval;

13. to examine the Bank’s human resources and remuneration strategies, review and determine the remuneration strategies for the Bank’s senior management personnel; to be responsible for performance evaluation of senior management personnel; to decide on the material rewards and punishment matters for senior management personnel;

14. to review and approve the information disclosure policy and system of the Bank;

15. to propose to shareholders’ meeting to appoint, re-appoint or change the accounting firm that audits the Bank;

16. to hear work report from the President and the management team of the Bank and examine their work;

17. to report the rectification opinion regarding the Bank issued by relevant regulatory authorities and the execution status of rectification by the Bank;

18. to hear the report by external auditors on a regular or irregular basis;

19. to review and approve the Bank’s annual report;

20. to exercise other functions and powers prescribed by laws, administrative regulations or the Articles of the Bank, and those granted by shareholders’ meeting.

Under necessary, reasonable and legal circumstances, the board of directors may authorize the President or the management team to decide on specific matters that are related to board matters but cannot or are not necessary to be determined in the board meetings immediately.

Regarding the authorization by the board of directors to the President and the management team, if the authorized matters shall be approved by ordinary resolutions, such authorization shall be adopted by at least a majority of all directors; if the matters shall be approved by special resolutions, such authorization shall be adopted by at least
two-third of all directors. The authorization shall be clear and specific.

Article 10. The board of directors of the Bank shall provide explanations to the shareholders’ meeting with respect to any audit report submitted by the certified public accountant regarding the Bank’s financial reports that contains qualified opinions, negative opinions or opinions being unable to be issued.

Article 11. The scope of authorization to the board of directors regarding decision power on equity investment, bond investment, assets purchase, assets disposal, assets write-off, mortgage or other non-commercial-banking-business regarding security interest matters shall be determined by the shareholders’ meeting. The board of directors shall establish stringent examination and decision making procedure in respect of its exercise of the aforesaid authorization.

The Strategic Development Committee shall organize relevant experts and professionals to examine and evaluate material equity investment, bond investment, assets purchase, assets disposal, assets write-off, mortgage or other non-commercial-banking-business regarding security interest matters and report to shareholders’ meeting for approval in accordance with laws, administrative regulations and the listing rules of the place of listing.

Article 12. When the board of directors disposes of fixed assets, and the sum of the expected value of the consideration for the proposed disposal and the value of the consideration for disposed fixed assets in the four months period immediately preceding the proposed disposal exceeds 33% of the value of the fixed assets shown in the latest balance sheet presented at the general shareholders’ meeting, the board of directors may not dispose or agree to dispose of the fixed assets without the prior approval of the shareholders' meeting.

For the purposes of this Article, the term "disposal of fixed assets" shall include the assignment of certain interest in assets other than by way of providing security interest by using fixed assets as collaterals.

The validity of transactions whereby the Bank disposes of fixed assets shall not be affected by the breach of the first paragraph hereof.

Article 13. Directors may request to seek opinions from independent professional institutions and independent consultants under reasonable circumstances while exercising their functions and powers, and the cost incurred shall be borne by the Bank.
Such requests from directors shall be submitted to the board of directors for approval and other proper arrangement through the board secretary.

Article 14. The chairman of the board shall exercise the following functions and powers:

1. to preside over shareholders’ meeting and to convene and preside over meetings of the board of directors;
2. to convene and preside over the special board meetings;
3. to oversee and examine the work of the special committees and nominate the candidates for chairmen of the special committees;
4. to oversee and examine the implementation of resolutions of the board of directors;
5. to sign stocks, bonds and other security certificates issued by the Bank;
6. to sign important documents of the board and other documents that shall be signed by the legal representative of the Bank;
7. to exercise the legal representative’s functions and powers;
8. to exercise part of the board’s functions and powers under the authorization of the board of directors when the board is not in session; and
9. other functions and powers granted by the board of directors.

Article 15. If the chairman of the board is unable or fails to perform his/her functions and powers, the vice chairman shall exercise such functions; if the vice chairman is unable or fails to do so, a director shall be recommended by half or more directors jointly to exercise such functions and powers on his/her behalf.

Article 16. The major duties of the board secretary shall be:

1. To assist the directors in dealing with day to day work of the board; to be responsible for communications between the directors and relevant departments of the Bank; to ensure the directors be provided necessary information and documents for their fulfillment of their authority and functions; to continuously advise, remind and ensure the directors to acquaint with the regulations, policies and requirements by relevant regulatory authorities regarding bank operations; to assist directors and the president to abide by laws, regulations, rules, relevant provisions by the securities regulatory authorities of the place of listing, this Articles and other
relevant provisions in their exercise of authority and functions;

2. To be responsible for relevant organization and preparation work for the board of directors meeting and the shareholders’ meeting; to be responsible for taking minutes of the meetings; to ensure the resolution and the decisions made in the meeting in compliance with legal procedures; to proactively monitor the implementation of the board resolutions and to reply to directors in respect of questions concerning relevant meeting procedures and applicable rules;

3. To ensure that the Bank keeps complete organizational documents and records;

4. To ensure that the Bank prepares and submits according to law the documents and reports required by relevant authorities;

5. To keep the list of shareholders, the seal of the board of directors and other relevant information and to handle matters related to management of the equity shares of the Bank and registration of trusteeship; to ensure that the Bank's register of shareholders is properly established and that persons entitled to relevant records and documents of the Bank could obtain such records and documents in a timely manner;

6. To be responsible for information disclosure of the Bank and to assure the Bank’s information disclosures are timely, accurate, legal, true and complete;

7. To assist the special committees established under the board of directors to exercise their delegated authorities;

8. To be responsible for organization of market promotion; to coordinate with visits and reception work; to deal with investors’ relationship; to maintain relationship with regulatory authorities, investors and intermediate agencies; to coordinate public relationship;

9. To consult and advise on significant strategic decisions of the Bank;

10. Other duties set forth in the Articles.

Article 17. The Bank shall provide facilities for the board secretary to exercise his/her functions and powers. For the purpose of exercising his/her functions and powers, the board secretary has the right to attend the shareholders’ meeting, board of directors meeting, board of supervisors meeting and senior management officers’ meeting, to understand the financial situation and business operation of the Bank, to
consult all documents related to information disclosure, to request relevant departments and staffs of the Bank to provide relevant documents and information in a timely manner.

Chapter 4 Working Rules for Board of Directors

Section 1 Working Method

Article 18. The working method of the board of directors is composed of a formal conference (including video conference and telephone conference), and written resolution (including delivering the resolution for review severally in counterparts or by circulating the resolution for review in turn among the directors) and other methods the board of directors deems as proper. The board of directors shall adopt different working methods according to different items and proposals.

Article 19. A board meeting convened by telephone conference or video conference shall ensure each attending director can hear other directors’ speech clearly and can communicate with each other. The board meeting convened by such means shall be recorded or taped and the relevant record or video tape shall be properly maintained forever. Should any director not be able to timely sign the meeting minutes during such meeting, such director shall attend voting orally and complete the signature in writing as soon as possible. The oral vote by the director shall have equal effect as the written signature, provided the later signature shall comply with the oral vote during the meeting. Should such later signature become different from the oral vote, the oral vote shall prevail.

Article 20. For those material, complicated and special issues which shall be discussed collectively and thoroughly, the board of directors shall discuss them in the way of a formal conference.

Article 21. Issues arising from day to day operations that require examination of the board of directors may be resolved by means of written resolutions and other means the board of directors deems as appropriate provided that such means shall not contravene Article 45 of this Procedural Rules. If any director requests that such proposals be examined by a formal conference (including video conference and telephone conference) of the board of directors, the formal conference shall be adopted.

Article 22. A director shall attend personally at least two thirds of the meeting of the board of directors’ each year. A director shall be deemed to be incapable of fulfilling
his/her duty if he/she fails to attend the board meeting either personally or by entrusting other directors to attend on his/her behalf twice consecutively. The board of directors shall propose to the shareholders’ meeting to replace such director. If an independent director fails to attend the board meeting personally for three times consecutively, the board of directors shall propose to the shareholders’ meeting to replace such independent director.

Article 23. The directors could attend the board of director meeting by means of video conference, telephone conference or other timely communicable methods, all of which shall be deemed as attending the meeting in person.

Section 2 Rules of Meeting

Article 24. The board shall meet regularly during a year (regular meeting) and as and when necessary (special meeting). In general, the regular board meeting shall be held at least four to six times each year and at least once each quarter. The frequency and timing of regular board meeting shall be coordinated with material corporate activities (such as shareholders’ meeting, annual report and interim report) of the Bank and standing agenda of the board of directors.

Article 25. The board of directors shall approve the timetable of regular board meeting for next year as soon as possible, including the date, time, venue and main topics of each meeting. After approved by the board of directors, the board secretary shall deliver the timetable to all parties as soon as possible, enabling the board meeting to be well prepared in advance. Once approved, the timetable shall not be changed unless consents from a majority of directors have been obtained and under special circumstances.

Article 26. The chairman of the board shall convene and preside a special board meeting within 5 working days under one of the following circumstances:

1. shareholders representing one tenth or more voting rights so propose;
2. the chairman of the board considers necessary;
3. at least one third of the directors so propose jointly;
4. at least half of the independent directors so propose;
5. the board of supervisors so proposes;
6. the president of the Bank so proposes.

Article 27. The board secretary is responsible to collect topics of each board meeting and submit them to the chairman of the board. The Chairman of the board has the right to make proper adjustments to different proposals.

Article 28. The board of directors shall make proper arrangement to ensure all directors having the chance to present topics to be discussed at board meeting.

Article 29. The board secretary is responsible to draft the notice for a board meeting and deliver the written notice to all directors and supervisors 14 days before the regular meeting is held, and to all related parties proposing to attend the meeting within reasonable time prior to the date of the meeting. The notice for a board meeting shall include the date, venue, term of the meeting, the reason and subject for discussion and the date of issuing the notice. When a special meeting is convened, a written notice shall be delivered to all directors and supervisors within reasonable time prior to the date the meeting is proposed to be held.

Article 30. Meeting documents shall be delivered to all directors and supervisors 10 days before the regular meeting is held. Should any special board meeting is convened or any new proposals are added to the regular board meeting, the meeting documents shall be delivered to all directors and supervisors as soon as possible.

Article 31. Meeting documents shall include all material information and analysis related to each topic of the board meeting, and shall be well summarized to enable the board understanding all information and making decision. Should any two or more independent directors consider documents incomplete or analysis unclear, they could jointly suggest in writing the board meeting or the examination of proposal in question to be postponed, which shall be adopted by the board.

Article 32. For the purpose of enabling the board of directors to make an informed decision, apart from meeting documents, the board of directors may require the management to prepare and provide all necessary supplementary information and report. For complicated items or if the management considers necessary, the management shall provide the board of directors with presentation materials to enable the directors to have a better understanding of the issues concerned.

Article 33. If the board of directors consider that there is insufficient time to consider the content of relevant documents, or the management reasonably requires
more time to prepare the supplementary materials or analysis requested by the board of directors, the chairman of the board of directors may postpone relevant item to the next board meeting or other time as appropriate for deliberation.

Article 34. Meetings of the board of directors shall be attended by the directors personally. If a director cannot attend a meeting for any reason, he/she may entrust in writing other director to attend the meeting on his/her behalf. The written proxy shall specify the proxy’s name, entrusted matters, the scope of authorization and the valid term, and be signed by or affixed with the seal of the entrusting director. A director who attends a meeting on behalf of another director shall exercise the rights of that director within the scope of entrusted authority. If a director fails to attend a meeting of the board of directors and also fails to entrust a proxy to attend on his/her behalf, he/she shall be deemed to have waived his/her voting rights at that meeting.

Article 35. In normal cases, the chairman of the board, as the president of the board meeting, shall preside board meetings. If the chairman of the board fails to attend a board meeting, the vice chairman shall preside the board meeting. In case both the chairman and the vice chairman of the board fail to attend the board meeting, a director shall be recommended by those directors attending the board meeting to preside the board meeting.

Article 36. When the board of directors examines proposals submitted by the management, in general the senior management personnel responsible for relevant issues shall attend as a non-voting attendee and report to the board of directors.

Article 37. For the purpose of ensuring each proposal is discussed thoroughly and professionally, there shall be sufficient time for discussion at the board meeting. The chairman of the board meeting shall ensure each proposal discussed to be resolved or be given clear guidance.

Article 38. In general, the voting on to-be-examined proposals in the board of directors shall be made item by item.

Article 39. The voting on resolutions of the board in the board meeting shall, in principle, be made by poll. Upon the approval by two-thirds of all the directors, the voting may also be made orally.

Article 40. Meetings of the board of directors may be held only if more than half of the directors (including proxies) attend. Resolutions of the board of directors shall be
adopted by the affirmative votes of more than half of all the directors.

Each director shall have one vote on the resolution of the board of directors.

Article 41. Prior to discussion of any proposal at the board meeting, each director shall consider whether this proposal has material interest/relationship with him/her, or any related person or Connected Person of him/her. If there is any such interest/relationship, he/she shall declare his/her interests at the board meeting unless this has been done by other means to the board of directors in advance.

Article 42. If any director, his/her related person or Connected Person has material interest/relationship with proposals subject to the board resolution, such director shall not exercise voting right over such proposals and shall not vote as proxy of other directors. Such a board meeting can be convened upon the presence of more than half uninterested directors, and the resolution shall be adopted by more than half of the uninterested directors. If the uninterested directors present at the board meeting are less than 3 persons, such matter shall be submitted to the Bank’s shareholders’ meeting for approval.

Article 43. Persons other than directors, supervisors and the board secretary can only express their opinions after being approved by the chairman of the board meeting.

Article 44. Directors can only vote for, against or abstain from voting at proposals to-be-examined by the board. In cases directors vote against or abstain from voting on such proposals, they shall specify the reasons.

Article 45. Resolutions by the board of directors may be passed by the affirmative vote of more than half of the directors except for the following matters which shall require the affirmative votes of at least two-thirds of the directors and may not be voted by means of written resolutions:

1. profit distribution or loss make-up plans;
2. risk capital distribution plan;
3. the increase or reduction of registered capital of the Bank or the issuance or public listing of other securities or issuance of bonds;
4. material acquisition, repurchase of the Bank’s shares or merger, division and dissolution;
5. substantial investment or disposal of substantial assets;
6. the annual financial budgets and final accounts of the Bank;

7. the amendments to the Articles;

8. proposal to shareholders’ meeting in respect of the appointment, re-appointment or replacement of the accounting firm who performs audit for the Bank;

9. recruitment or dismissal of senior managers, etc.;

10. the remuneration strategy of the senior management personnel of the Bank, the performance evaluation of the senior management personnel and awards and punishment thereof;

11. other affairs that the board deems to be materially contrary to the interest of shareholders or directors.

Article 46. The board of directors shall keep minutes of its decisions on the matters examined at the board meetings. Directors and clerks attending the meeting shall sign their names on the minutes. Directors attending the meeting shall have the right to request to add to the minutes the descriptive contents of their statements made at the meeting. The minutes of the board meeting shall be kept by the board secretary as the Bank’s archives.

Article 47. The board secretary is responsible for the minutes of the board meeting. The minutes of the board meeting shall record in sufficient detail the matters considered by the board of directors and all decisions reached.

Article 48. The minutes of a board meeting shall include the following:

1. The date, venue and name of the convener of the meeting;

2. The names of directors and the names of other entrusted directors (proxies) attending the board meeting;

3. Agenda of the meeting;

4. The key points of directors’ speeches; (including any doubt or objections raised by directors);

5. The voting method and result of each resolution (the voting result of a resolution shall state the numbers of votes for and against the resolution and the number of votes having been abstained);
6. The statement whether connected directors having material interest/relationship with to-be-discussed proposals have withdrawn from voting or not.

7. Other contents as required by laws, administrative regulations and regulatory documents.

Article 49. After conclusion of the board meeting, the drafted minutes of board meeting shall be circulated to all directors within reasonable time for their comments. Directors have the right to present their comments on the drafted minutes of board meeting between two board meetings or on next board meeting. The minutes of board meeting shall be passed on the next board meeting.

Article 50. The board secretary shall keep proper records of all resolutions and minutes of the board meeting. Directors have the right to consult aforesaid documents at reasonable time upon reasonable notice to the board secretary. Other persons except for directors could consult aforesaid documents upon confirmation by the board secretary as related and entitled persons.

Article 51. Decisions, resolutions and minutes of board meetings shall be filed to China Banking Regulatory Commission within the shortest possible time after the end of the meeting. Minutes of directors’ meeting shall be kept permanently.

Section 3 Rules of Written Resolutions

Article 52. Where it is proposed to pass a proposal by way of written resolutions, the board secretary shall send written proposals (with voting ticket) and relevant proposals and reports submitted by the management to all directors. Directors shall complete the voting tickets and return the same to the board secretary for records.

Article 53. Unless otherwise permitted by relevant laws, regulations or provisions, if a substantial shareholder or a director has a conflict of interest in the matter to be considered by the board of directors, the matter shall not be dealt with by way of written resolutions, but a board meeting attended by independent directors who have no material interest in the transaction shall be held to deliberate on the matter.

Article 54. In case of written resolutions, directors may vote for, against, abstain or refer to the board meeting for further discussion. If a director votes against or abstain from voting at a proposal, he/she shall specify the reasons.

Article 55. If any director requests for the matter to be further discussed at a board
meeting before resolutions of proposals become effective, the matter shall not be dealt
with by means of written resolutions.

Article 56. In order for written resolutions to become legal and effective, they shall
be signed by a majority of directors or their proxies who are entitled to receive the
notice of board meeting. The written notice confirming such written resolution signed
by relevant directors or their proxy directors shall be deemed as their signature on such
written resolution. Such written resolution may be composed of several documents,
each of which shall be signed by one or more directors or their proxy directors. A
resolution signed by the directors or their proxy directors and delivered through
telegram, fax, telex or other electronic means shall be deemed as having been signed by
the directors.

Article 57. The board secretary shall keep proper records of all written resolutions
passed by the board, the comments made by the directors on voting tickets, and relevant
proposals and reports submitted by the management.

Section 4 Implementation and Follow Up of Resolutions

Article 58. The board secretary shall inform the management and other relevant
parties of the resolutions passed by the board of directors in writing as soon as possible,
and complete the following-up list and send to the management as soon as possible.

Article 59. The management shall be responsible for the implementation of
resolutions and following up issues. The Executive Office is responsible for assisting
the management and reporting the status and progress thereof to the board secretary
before the holding of the next board meeting.

Article 60. The board secretary shall be responsible for reporting the implementation
of resolutions to the board of directors at the next board meeting or as and when
requested by the board. Directors have the right to enquire the management regarding
the implementation of the board resolutions.

Section 5 Working Language and Written Format

Article 61. The official language for the board of directors shall be Chinese and
English. The board secretary shall arrange for proper translation according to practical
situation.

Article 62. In general, all documents submitted to the board of directors shall be
Article 63. In case of written communication, the following means shall be effective:

1. Any letter or fax signed, in person or by chop, by any director or the board secretary, or any email sent from their e-mail account.

2. Any letter or fax signed, in person or by chop, by the authorized delegate of any of the abovementioned persons, or any email sent from their e-mail account.

Section 6 Notices

Article 64. Notices of the Bank may be sent out by following means

1. in person;
2. by mail;
3. by fax or email;
4. by other means recognized by the Bank, or agreed by the recipient of the notice in advance or recognized by the recipient of the notice after receiving such notice; or
5. through other means recognized by regulatory authorities or stipulated under the Articles.

Article 65. When a notice from the Bank is sent out in person, the recipient of the notice shall sign (or seal) on the return receipt of delivery. The date of the recipient’s signature shall be deemed to be the delivery date. When the notice of the Bank is sent out via mail, the delivery date shall be forty-eight hours after such notice is delivered to the post office. When the notice of the Bank is sent out by fax or email, the delivery date shall be the date when the fax or email is sent out.

Chapter 5 Coordination and Communication

Section 1 Communication with Special Committees

Article 66. The board secretary shall attend as a non-voting attendee in special committee meetings. Relevant special committees shall send meeting notice and documents to the board secretary in a timely manner, and copy to the Board Secretariat.

Article 67. Each special committee shall send resolutions (including written resolutions) and minutes of the special committee meeting to the Board Secretariat in a
timely manner. The board secretary shall keep the meeting records of special committees of the board of directors.

Article 68. During the adjournment of the board and if the special committees consider there are issues material and exceptional requiring attention of the board of directors, the special committees may submit written report to the board of directors through the board secretary, and may suggest the chairman of the board to convene a board meeting and to discuss such issues.

Article 69. The board of directors and any director may request for information from each special committee through the board secretary, and the special committee shall provide the requested information as soon as possible.

Article 70. Any important written report submitted by a special committee to the board of directors shall be signed by the committee chairman or any designated committee member or the committee secretary, and shall be submitted to the board of directors through the board secretary.

Article 71. Each committee shall inform the Board Secretariat of its written resolutions in a timely manner.

Article 72. The board secretary shall coordinate the work of each special committee. The board secretary shall coordinate and guide the work of committee secretary of each special committee.

**Section 2 Communication with the Management**

Article 73. The board of directors is entitled to request the management to provide relevant materials and other assistance in a timely manner as will enable the board of directors to make informed decisions and to discharge its functions and powers.

Article 74. The management shall submit to the board regular working report and material information which is crucial for directors to understand the overall operation and management of the Bank.

Article 75. During the adjournment of the board, the management may submit written report on material or exceptional issues through the board secretary, and suggest to the chairman of the board to convene a board meeting for discussion.

Article 76. Any important written report submitted by the management to the board of directors shall be signed by the president of the Bank or other senior management
personnel responsible for relevant issues, and submitted to the board of directors through the board secretary.

Article 77. The board of directors shall inform the management of the resolutions, decisions of board meeting and other relevant issues in a timely manner.

Section 3 Communication with Board of Supervisors

Article 78. Notices of any meeting of the board of directors shall be delivered to the board of supervisors in writing prior to the meeting. Supervisors are entitled to attend as a non-voting attendee and express their opinions.

Article 79. The board of supervisors shall be informed of the resolutions, decisions of board of directors and following up issues.

Article 80. During the adjournment of the board, the board of supervisors may submit written recommendations to propose the board of directors to hold a special board meeting.

Article 81. If the board of supervisors found the board of directors or a director fails to exercise their functions or is in breach of any rules and so on, it may communicate with the board secretary and the director in writing or orally according to practical situation.

Article 82. The board of supervisors is entitled to enquire the chairman of the board of directors and a director, who shall himself/herself or procure other relevant person to provide relevant information and documents earnestly.

Article 83. The member of the board of directors and member of the board of supervisors may communicate with each other at any time and in any form as appropriate.

Section 4 Communication with Shareholders

Article 84. Communication between the board of directors and shareholders shall be conducted mainly through shareholders’ meeting and through the board secretary on a daily basis.

Article 85. Chairman of the board of directors, as the main communication channel between the board of directors and the shareholders, shall keep good relationship with shareholders, and ensure the information of the Bank is fairly disclosed. The board
secretary assists the chairman of the board to carry out relevant work.

Article 86. The board of directors encourages shareholders to attend shareholders’ meetings. All directors shall attend shareholders’ meetings and respond to queries raised by shareholders.

Article 87. The board of directors shall keep continuous communication with shareholders and other stakeholders, and understand their questions and issues.

Article 88. The board of directors shall make timely disclosure regarding relevant issues according to relevant laws, regulations and regulatory documents.

Chapter 6 Miscellaneous

Article 89. This Procedural Rules comes into effect upon approval by the shareholders’ meeting. If this Procedural Rules needs to be amended, the board of directors shall present the proposal to shareholders’ meeting for approval.

Article 90. Unless there are special explanations, terms mentioned in this Procedural Rules have the same meaning with those terms referred to in the Articles.

Article 91. Should the Procedural Rules conflict with any newly issued and implemented laws, administrative regulations, listing rules of the place of listing and the Articles, the newly issued and implemented laws, administrative regulations, listing rules of the place of listing and the Articles shall apply.

Article 92. Unless otherwise provided herein, terms of “at least”, “within” and “no more than” shall include the number specified; however, terms of “more than”, “less than” and “excluding” shall exclude the number specified.

Article 93. The board of directors shall be responsible for the interpretation of the Procedural Rules.