



Articles of Association

VP Bank Ltd, valid from 29 April 2016



Articles of Association of VP Bank Ltd

Art. 1: Firm name

The firm name of the Company is:

VP Bank AG
VP Bank SA
VP Bank Ltd

Art. 2: Registered office

The Company has its registered office in Vaduz, Liechtenstein, and may establish branch offices, subsidiaries and representative offices in other locations in Liechtenstein and abroad.

Art. 3: Purpose

The purpose of the Company is to operate a bank. It may conduct all types of banking, finance, trading and real estate business normally associated with a universal bank at home and abroad and in particular may

- take receipt of savings and other deposits including demand and time deposits from banks and customers; issue medium-term notes and bonds;
- grant (secured and unsecured) loans in all customary forms of financing transactions (including leasing and factoring);
- conduct transactions in discounting and bills of exchange and buy and sell money market paper;
- buy and sell securities, foreign exchange, derivative financial instruments, foreign bank notes, coins and precious metals for the Company's own account and that of third parties;
- acquire and broker equity participations and sub-participations and take part in underwriting syndicates;
- provide investment advisory and asset management services, execute wills, liquidate estates and assume fiduciary functions;
- issue sureties and guarantees;
- hold securities and valuables in safekeeping in open or closed deposits, and rent out safety deposit boxes;
- accept and place issues of bonds and equities; conduct financing operations for the Company's own account and that of third parties;
- establish and operate investment funds at home and abroad and act as subscription office and custodian for investment funds;
- engage in forward transactions for the Company's own account and that of third parties;
- engage in cheque and documentary credit collection business and process letters of credit;
- carry out payment transfers at home and abroad and issue cheques;
- accept commissions to form, administer and represent companies;

- administer corporate structures and finance companies and provide all types of management consultancy and tax advice;
- buy and sell real estate at home and abroad.

Art. 4: Share capital

- 1) The Company's share capital amounts to CHF 66,154,167 (sixty-six million one hundred and fifty-four thousand one hundred and sixty-seven Swiss francs) and is divided into 6,015,000 "A" registered shares, each with a nominal value of CHF 10, and 6,004,167 "B" registered shares, each with a nominal value of CHF 1.
- 2) The ratio of "A" registered shares to "B" registered shares indicated in the previous paragraph must not be changed to the detriment of the legal status of the "B" registered shares.

Art. 5: Capital increases and decreases

- 1) The general meeting of shareholders shall decide whether and when to issue new shares and participation certificates. The issue modalities, and in particular the issue date and issue price, shall be determined by the Board of Directors.
- 2) The general meeting of shareholders may decide to decrease the share capital, in which case the provisions of Liechtenstein banking law must be observed.

Art. 6: Shares and certificates

- 1) The shares may be combined or split to create shares of a higher or lower nominal value.
- 2) The Company may issue its registered shares in the form of individual share certificates, multiple share certificates or global share certificates or as book-entry rights not evidenced by certificates and may convert them from one form to another at any time without requiring the consent of the shareholders. Shareholders shall have no automatic entitlement to have physical share certificates printed and issued to them. However, any shareholder may at any time call on the Company to issue a certificate confirming the number of registered shares held by that shareholder as per the share register.

Art. 7: Registration and transfer of "A" registered shares

Shareholders acquiring "A" registered shares shall on request be entered as shareholders with voting rights in the share register along with the details specified in Art. 7b para. 1 below, providing they expressly declare that they have acquired the relevant "A" registered shares for their own account.

Art. 7a: Registration and transfer of "B" registered shares

- 1) The Board of Directors shall be entitled to refuse entry in the share register for compelling reasons.
- 2) Where "B" registered shares are acquired by means of inheritance or matrimonial property rights, the entry of such shares in the share register may only be refused if within two months the Company declares its readiness to purchase the shares at the daily market price prevailing on the date on which the application for entry in the share register was made.

- 3) Whenever "B" registered shares are acquired the party acquiring them must, using the form made available for such purposes, submit a written application for approval of the transfer of title to the shares, including his or her name, nationality and address, and must declare that the shares have been acquired and will be held for his or her own account.
- 4) Prior to any registration, the relevant share or share certificate must be presented to the Board of Directors. The Company shall annotate the share certificate to indicate that it has been entered in the share register.

Art. 7b: General provisions governing registration of registered shares

- 1) "A" registered shares and "B" registered shares shall be entered in the share register together with the shareholder's first name, surname, date of birth, nationality, place of residence or firm name and registered office, including address. Only shareholders who are entered in the share register shall be entitled to exercise the membership rights accorded by ownership of shares in the Company. Conversely, the exercise of property rights conferred by acquisition of "A" registered shares and "B" registered shares shall not be linked to entry in the share register, provided that the Company is furnished with proof of the legal shareholder status of the party that has acquired the relevant "A" or "B" registered shares.
- 2) Whenever the place of residence or registered office of a shareholder changes, the shareholder must inform the Company of the new address. Until this happens all written notices shall be deemed duly served if sent to the shareholder's address entered in the share register.
- 3) After hearing the registered shareholder concerned the Board of Directors may retroactively delete an entry in the share register according to which the shareholder enjoys voting rights with effect from the date of entry if such entry arose as a result of the provision of false information.

Art. 8: Subscription rights

- 1) The existing "A" and "B" registered shares shall confer subscription rights in respect of newly issued shares in proportion to the nominal value of said existing registered shares.
- 2) A shareholder's subscription rights shall be excluded in all instances in which agreements concluded with third parties or resolutions of the general meeting of shareholders preclude the exercise of such rights.

Art. 9: Governing bodies

The governing bodies of the Company are the general meeting of shareholders, the Board of Directors, the Executive Board and the External Auditors.

Art. 10: General meeting of shareholders, representation, chairperson

- 1) As the supreme governing body of the Company, the general meeting shall represent the shareholders in their entirety. Each shareholder may either attend the general meeting in person or choose to be represented by another shareholder.
- 2) The general meeting of shareholders shall be chaired by the Chairman of the Board or, in his absence, by another member of the Board of Directors.
- 3) The chairperson shall appoint one or more tellers, who need not be shareholders. The tellers shall be responsible for supervising the voting, counting the votes that have been cast and reporting the results to the chairperson.

Art. 11: Convocation of the general meeting

- 1) The Board of Directors shall convene the ordinary general meeting of shareholders (annual general meeting) subject to a 21-day notice period. The annual general meeting must be held within six months of the end of the financial year. In addition, the Board of Directors shall convene an extraordinary general meeting of shareholders in the eventualities specified by law or the Articles of Association and whenever the interests of the Company so require. General meetings shall be held at the Company's registered office or some other place in Liechtenstein determined by the Board of Directors.
- 2) An extraordinary general meeting must be convened at the request of one or more shareholders or their representatives who represent at least 10% of the paid-in share capital and are entitled to vote on the matters to be discussed at the extraordinary general meeting. Such request must be made in writing, state the purpose of and reasons for the meeting, give the clearest indication possible of the matters to be discussed and voted upon and be signed by those making the request. The material content of any intended changes to these Articles of Association must also be indicated.
- 3) Shareholders who have the right to request the convocation of an extraordinary general meeting pursuant to the provisions of the previous paragraph shall also have the right to request in a signed petition that certain items be added to the published agenda of the next general meeting if such petition is lodged with the Board of Directors no later than 30 days prior to the convocation of the general meeting.
- 4) Each notice of convocation must indicate the date, exact time, venue and agenda of the meeting. The invitation must also inform shareholders of their right to inspect the documentation relating to the motions tabled to the meeting, of the evidence required to prove their eligibility to vote, and of the repositories for any deposit of shares.

Art. 12: Remit of the general meeting

- 1) The ordinary general meeting shall approve the annual report drawn up by the Board of Directors and, upon receipt of the External Auditors' report, the annual financial statements and shall make resolutions concerning the appropriation of the net profit, allocations to and uses of the legal reserves and

the formation of further reserves. It shall decide whether to formally release the Board of Directors and the External Auditors in respect of their actions and shall elect and dismiss their members.

- 2) The general meeting shall make resolutions on amendments to these Articles of Association, the exclusion or restriction of subscription rights, the dissolution of the Company and all other matters and motions reserved to the general meeting of shareholders by law or these Articles of Association or referred to it by the Board of Directors or the shareholders.
- 3) The remit of the general meeting as described in the foregoing paragraphs of this Article may only be limited, altered, rescinded or expanded by statutory provision or by these Articles of Association.

Art. 13: Right to vote at the general meeting

- 1) Each share, regardless of its nominal value, shall entitle the holder to one vote at the general meeting.
- 2) The Board of Directors shall enact provisions governing the proof of share ownership required to obtain voting cards and rights of representation at the general meeting.

Art. 14: Resolutions of the general meeting, minutes

- 1) A general meeting may only discuss and make resolutions on agenda items that are expressly indicated in the invitation to attend that meeting.
- 2) By resolution of the general meeting, requests to add items to the agenda that have been submitted after the general meeting has been convened may be admitted for discussion; however, no resolution may be passed on such matters until the next general meeting. Conversely, a motion to convene an extraordinary general meeting may be validly passed at any time.
- 3) Save where otherwise provided by law or these Articles of Association, the general meeting shall constitute a quorum if at least one-quarter of the share capital is represented. Resolutions shall be passed by absolute majority of all votes cast.
- 4) A majority representing at least two-thirds of all shares issued by the Company shall be required to amend the provisions of Art. 4 para. 2 and Art. 7 para. 1 above or to dissolve the Company.
- 5) The chairperson shall decide whether votes and elections are to be held by open show of hands, by secret ballot or electronically. At the request of at least ten shareholders the vote must be held by secret ballot or, where possible, electronically.
- 6) The proceedings of the general meeting shall be recorded in minutes giving a summary of its discussions, resolutions and elections.

Art. 15: Board of Directors

The Board of Directors is the governing body with responsibility for the overall management, supervision and control of the Company's business operations. Its remit shall include all matters that are not reserved for other governing bodies by law or these Articles of Association.

Art. 16: Election, term of office and resignation of members of the Board of Directors

- 1) The Board of Directors shall consist of at least five members. Members shall be elected to serve a three-year term of office. The term of office shall commence upon the member's election and end at the conclusion of the third ordinary general meeting of shareholders thereafter. Members may be re-elected.
- 2) From among its members the Board of Directors shall elect its Chairman and Vice-Chairman to serve a three-year term of office. They may be re-elected.
- 3) If for any reason the number of Board members falls below the minimum prescribed in these Articles of Association, the remaining members shall remain in office. However, their powers shall then be restricted to co-opting new Board members or convening a general meeting of shareholders. New members co-opted by the Board of Directors shall be confirmed in post at the next general meeting, unless it wishes to hold a new election.
- 4) The Board of Directors shall not include blood relatives in ascending or descending line, spouses, siblings or business partners of existing members.
- 5) Members of the Board of Directors have the right to step down from office at any time.

Art. 17: Powers and obligations of the Board of Directors

- 1) The Board of Directors has the following non-transferable and inalienable duties in particular:
 - to determine the organisation of the Company and to enact the necessary regulations;
 - to organise the accounting, financial control and financial planning activities;
 - to appoint and dismiss the persons entrusted with the operational management and representation of the Company;
 - to supervise the persons entrusted with the operational management of the Company, including with regard to their compliance with the law, these Articles of Association and Company regulations, and with regard to the economic performance of the Company;
 - to draw up the annual report, approve the interim financial statements and to prepare for general meetings of shareholders and execute their resolutions;
 - to report major risks;
 - to establish and close branch offices, subsidiaries and representative offices;
 - to appoint the internal auditors and the legally prescribed External Auditors and to address their reports.

- 2) The Board of Directors may delegate certain of its powers to committees formed from its own members, which in turn must comply with the instructions of the Board of Directors. The meetings and resolutions of such committees shall be governed by the same provisions of these Articles of Association as apply to the Board of Directors, provided such provisions are compatible with the instructions of the Board of Directors. The Board of Directors or its committees may call upon members of the Executive Board to attend meetings in an advisory capacity.

Art. 18: Meetings of the Board of Directors

- 1) The Board of the Directors shall meet at the invitation of the Chairman or Vice-Chairman or at the written request of one of its members, as often as business matters require. By means of an unlimited power of attorney a member of the Board of Directors may be represented at a meeting by another Board member; however, a member may represent only one other member in this fashion.
- 2) The Chairman of the Board of Directors or, in his absence, the Vice-Chairman shall chair meetings of the Board. If the Vice-Chairman is also indisposed, then the member who has been in office longest shall preside.
- 3) Minutes shall be kept of the resolutions adopted by the Board of Directors.

Art. 19: Quorum and resolutions of the Board of Directors

- 1) The Board of Directors shall constitute a quorum if a majority of its members are present or represented by another member. Each Board member shall have one vote. The resolutions of the Board of Directors shall be passed by a simple majority of the votes in attendance. In the event of a tie, the Chairman shall have the casting vote.
- 2) Resolutions may also be made by circular letter, provided that no member of the Board of Directors demands a meeting in person. Such circular resolutions shall be passed by a majority vote of the Board members. Circular resolutions shall be recorded in the minutes of the next meeting of the Board of Directors

Art. 20: Compensation of the Board of Directors

By way of compensation for discharging the obligations and responsibilities assigned to them by law and these Articles of Association, the Board of Directors shall be entitled to a fixed remuneration to be set annually by the Board and distributed among its members according to the demands placed on them and their level of responsibility.

Art. 21: Executive Board

- 1) The Executive Board shall consist of the Chief Executive Officer, his or her deputy and additional members.

- 2) The Executive Board bears responsibility for managing the Bank's business operations. It shall ensure that the Bank is managed prudently and in a performance-oriented, forward-looking manner in conformity with the law, these Articles of Association and all relevant regulations and directives.
- 3) The duties and areas of authority of the Executive Board and the organisation of the operational management shall be regulated by a set of Organisational and Business Regulations to be enacted by the Board of Directors.

Art. 22: External Auditors

- 1) The External Auditors shall examine whether the books of account, the annual financial statements and the proposal of the Board of Directors concerning the appropriation of the net profit conform to the law and these Articles of Association.
- 2) The External Auditors shall attend general meetings of shareholders and provide information on the conduct and results of their audit. They shall receive copies of all notices and publications sent to shareholders that relate to any particular general meeting.

Art. 23: Financial accounts

- 1) The Company's financial year commences on 1 January and ends on 31 December of each year.
- 2) The annual report shall comment on the annual financial statements and provide information on the Company's assets and liabilities, earnings and activities; it shall also contain the proposal of the Board of Directors concerning the appropriation of the net profit.
- 3) At least 21 days prior to the general meeting of shareholders at which they are to be discussed, the balance sheet and income statement examined by the Board of Directors and the External Auditors, with the reports of the Board of Directors and the External Auditors and other legally required documents attached to them, shall be made available at the registered office of the Company for inspection by those entitled to participate at the general meeting.

Art. 24: Appropriation of profit, reserves

- 1) Allocations to the Company's legal reserves shall be made at levels which at the very least conform to the current provisions of the Liechtenstein Code of Personal and Company Law and of Liechtenstein banking law.
- 2) After allocations to the legal reserves have been made, the General Meeting shall appropriate the remaining net profit for distribution of the ordinary annual dividend, for potential allocations to other reserves or for other uses.
- 3) The ordinary annual dividend shall be paid out of the net profit for the year in question and from free reserves.

Art. 25: Official notices

- 1) All legally prescribed notices shall be deemed validly made by the Company if published in the official Liechtenstein publication media.
- 2) The Company may forward a notice or document to individual shareholders or to the members of a governing body of the Company or to third parties by normal post to the usual home address or any alternative address supplied to the Company for the purpose of such correspondence.

Art. 26: Bank/client confidentiality and business secrecy

For the duration of their term of office or employment by the Company as well as after their departure, all governing officers and employees shall be under a strict duty of non-disclosure with regard to all business circumstances and events pertaining to the Bank and its clients and to all internal matters of which they learn during their term of office or employment relationship.

Art. 27: Legal disputes

- 1) Legal disputes in relation to claims based on Company matters that arise between the Company as such and the Board of Directors or any of its members, or between individual shareholders and the Company, or between members of the Board of Directors shall be adjudicated by an arbitration tribunal, without recourse to the ordinary courts of law.
- 2) Such arbitration proceedings shall be governed by the provisions of the Liechtenstein Code of Civil Procedure.
- 3) Members of the arbitration tribunal shall be under a duty of non-disclosure with regard to all Bank business and banking relationships of which they learn during the proceedings.

Art. 28: Entry into force

These Articles of Association shall enter into force upon entry in the Commercial Register.

Resolution of the ordinary general meeting of shareholders of 29 April 2016.