

(TRANSLATION)

ARTICLES OF ASSOCIATION
OF
KIATNAKIN BANK PUBLIC COMPANY LIMITED

CHAPTER 1
GENERAL

- Article 1.** These Articles of Association shall be referred to as the Articles of Association of Kiatnakin Bank Public Company Limited.
- Article 2.** The term "Company" used in these Articles of Association shall mean the Kiatnakin Bank Public Company Limited.
- Article 3.** Any amendment or correction of these Articles of Association or in the Memorandum of Association shall require a resolution of the general meeting of shareholders.
- Article 4.** Unless otherwise stipulated herein, the provisions of laws governing the Public Company Limited, laws governing Commercial Banks and laws governing Securities and Stock Exchange shall be brought to enforce.

CHAPTER 2
ISSUANCE OF SHARES AND SHARE TRANSFER

- Article 5.** The shares of the Company shall consist solely of ordinary shares entered in named certificates, each of which shall be fully paid up in cash. At least one director shall sign and affix the Company's seal on each share certificate. The Company may authorize the share registrar under the laws governing Securities and Stock Exchange to sign and affix the seal on each share certificate on behalf of the Company.
- Article 6.** Proposal of share selling or other securities to any person shall be made in accordance with the laws governing Securities and Stock Exchange.

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The Company may issue debentures, convertible debentures or convertible preferred shares, including any other securities under the laws governing securities and stock exchange for offering to any persons. The Company may convert the convertible debentures or the convertible preferred shares to be ordinary shares, by having regard to the provisions of the laws.

Article 7. The Board of Directors shall be able to appoint ordinary person or juristic person to be the share registrar.

Article 8. In the case a shareholder of the company dies or becomes bankrupt causing any person to have a right of the shares by succession or by a judicial order, if such person has fully brought the duly evidence to produce to the Company, the share registrar of the Company shall register in order to issue new share certificate to such person within the duration of one month from the date the full evidence thereof has been received henceforth.

In the event the share certificate has been damaged, of which its essential statements have been faded or torn up and if the shareholder is able to bring the original share certificate back to the Company, the Company shall issue a new share certificate to replace the damaged one. If the share certificate is lost or destroyed, the shareholder shall bring evidence of the incident to report to the inquiry officer or produce other reliable evidences to the Company to satisfactorily ensure the Company. The Company shall then be allowed to issue new share certificate to the shareholder within the specified period of twenty days from the day the original share certificate has been received or the date that the Company has satisfactorily received the required evidence.

The Company may charge a fee of new share certificate issuance as set out by the Company, which shall not be higher than the rate stipulated by law.

In the event the share transferee desires to have a new share certificate, the share transferee shall make a request in writing and signed the share transferee's name thereon, certified by affixing signature of at least one witness together with returning the original share certificate to the Company. The Company shall then register the share transfer within seven days, and the issuance of the new share certificate shall be made within the specified period of one month from the day the request has been received.

Article 9. Except as provided in the articles, the company's shares are freely transferable without restrictions but the aliens have the right to hold shares in the company of forty-four percent of the total issued share capital of the company.

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An alien is entitled to hold shares in the company more than forty-four per cent but not more than forty nine percent of the total issued share capital of the company in the case of subscription of new shares by resolution of the shareholders other than the exercise of warrants subject to the terms and conditions of the resolution of the shareholders' meeting to approve the offering of those shares.

Article 10. The share transfer shall be valid when the transfer has endorsed the share certificate, by stating the share transferee's name and signing the name of the transfer and the transferee on the back of the said share certificate and handed over the said share certificate to the transferee. The said share transfer shall only be used to set up against the company when the Company has received a request for registration of such the share transfer. And it shall be used to set up against the third party when the Company has registered such the share transfer only. If the share transfer is duly made, the Company shall proceed the request for registration within fourteen days from the day the request is made. If the share transfer is not duly made, the Company shall inform the applicant for registration within seven days.

If the backside (overleaf) of the share certificate has no space available for further endorsement in accordance with the share transfer process specified in the Clause 1, the Company shall issue new share certificate or may prepare an annexation form to be attached to the share certificate. In the case a new share certificate is issued, the original share certificate shall be given to the Company and the Company shall strike out that original certificate.

A partial share transfer made for each share certificate shall be made by the share transferor, by indicating in a wording of endorsement the total amount of the share that has been transferred. A new share certificate shall be issued for the remaining shares in the original share certificate, to the share transferor, and a new share certificate will then be issued for the transferred shares, for the transferee. The original share certificate shall be given to the Company and the Company shall strike out that certificate.

In the event the Company's shares are registered as securities and listed in the Stock Exchange of Thailand, the transfer of shares shall be made in accordance with the laws governing the Securities and Stock Exchange of Thailand.

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Article 11. The Company is forbidden from buying or taking any share transfer of its own shares or using the Company's share certificate as a guarantee of a debt or any business, except it is a case of doing it in accordance with the law by complying with the criteria, methods and conditions provided by laws.

In case of a buy-back of the said company's shares, it must be approved by a shareholders' meeting unless the said share buy-back is not exceeding 10 percent of the paid-up capital, by allowing it to be the authority of the Board of Directors in giving approval of the said share buying.

Article 12. In case of having preference shares, transforming preference shares to be ordinary shares can be done by having a shareholder desiring to transform the said shares submit an application for transforming shares to the Company together with handing over the share certificate back to the Company.

Article 13. During twenty one days before the day of shareholder's meeting to be held, the Company may close the registration book and suspend from such the share transfer, by announcing thereof in advance not less than 14 days prior to suspending from registration of the share transfer, at the head office and every branch office of the Company in order to inform the shareholders of such suspension.

CHAPTER 3 DIRECTORS AND THEIR AUTHORIITES

Article 14. The Company has a Board of Directors consisting of at least five directors, by allowing the shareholders' meeting to consider the election for appointment of the Directors and let the Board of Directors elect a Director from members of the Board of Directors themselves to be the Chairperson of the Board of Directors and they may elect a Deputy Chairperson, Managing Director or other positions as they may think fit. The Board of Directors of the Company not less than half of the total number of Directors must have residence in the kingdom.

Article 15. At the meeting of the shareholders, the shareholders shall elect Directors under criteria and methods as follows:

1. One shareholder has one vote equal to one share per one vote.
2. Each shareholder shall use all the votes that they have under (1) to elect a person or many persons to be director (s), but the votes cannot divide for any persons more or less.

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3. A person who gained maximum votes, in descending order of votes gained, shall be the elected directors equal to the number of the desired directors or should be elected at that time. In case the persons are elected in the descending order having the same votes but exceeding the desired number of the directors to be appointed or should be elected at that time, the Chairperson shall be the person making final vote thereof.

Article 16. Pension and remuneration shall be awarded to the Directors depending on resolution of the shareholders' meeting.

Article 17. Persons who are the Directors of the Company not necessary to the shareholders of the Company.

Article 18. At every annual ordinary shareholders' meeting, there will be at least one-third of the said rate of the Directors to be retired from the positions, if the number of Directors can not be divided into three equal parts, a number of Directors closest to one-third will resign from their posts.

The directors who shall retire from the posts in the first year and the second year after registration of the Company can be made by lot, who will be retired from the posts. As for the year after that the directors who have been in the office for the longest period of time are to resign from the post of directors, who may be re-elected to be in the office.

Article 19. In addition to retirement according to terms the director may remove his position on:

- (1) Death
- (2) Resignation
- (3) Lack of qualification or having forbidden appearance according to a provision of law governing a public company limited.
- (4) The Shareholder's meeting resolves resignation with counting votes not less than $\frac{3}{4}$ of the total of shareholders who attend the meeting and are entitled to vote and the shares are counted all together not less than half of the amount of shares held by the shareholders attending the meeting and are entitled to vote.
- (5) Resignation adjudicated from Court.

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Article 20. Any director who shall resign from his position it is require to submit a resignation letter to the Company. The resignation is effective as from the date the resignation letter reaches the Company. The director resigning according to Clause 1 may notify his resignation to the registrar for acknowledgement.

Article 21. In case the director's position becomes vacant due to other causes, in addition to resignation according to terms, it is required that the Board of Directors select qualified persons being without appearance that is forbidden according to a provision of law governing a public company limited and commercial bank to replace as directors in the next Board of Director's Meeting. The exemption is made when the term of director remains less than 2 months.

The resolution of the Board of Director's Meeting according to Clause 1 shall consist of counting votes not less than $\frac{3}{4}$ of the total remaining directors.

The person who becomes a director in replacement as such shall hold the director's position only according to the terms remaining of those to be replaced by him.

Article 22. In case of convening the meeting of directors the Chairperson or the person assigned is required to deliver the appointment letter to the directors not less than 7 days prior to the date of the meeting. The exemption is made to cases of necessity and urgency to preserve the right or benefit of the Company. The notification of the appointment of the meeting by other methods and designation on earlier date of the meeting may be made.

Article 23. The quorum of the meeting of the Board of Directors shall consist of directors not less than half of total amount of directors.

In case the Chairperson of the Board is not available in the meeting or is unable to perform his duty, if there incurs a Vice-Chairperson of the Board he is required to become a Chairperson. If the Vice-Chairperson is not available or available but he is unable to perform his duty, the directors present in the meeting are required to select one director to become the Chairperson of the meeting.

Article 24. The Board of Directors take responsibility in administration of all activities of the Company and are empowered to proceed under the provision of law, the Company's objectives and Article of Association and resolution of the Shareholders' Meeting and are empowered to perform any acts as specified in the memorandum of association or that is relevant to the case as such.

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The Board of Directors may assign one person or several persons to perform any one work in place of the directors.

The directors who are empowered to subscribe and bind the Company, two directors are required to jointly sign and affix the Company's seal. The Board of Directors may designate name list of the directors who are empowered to subscribe and bind the Company.

Article 25. Regarding all resolutions of the Board of Director's Meeting, it is required to make decision with the majority of votes of those directors present in the meeting. One director is availed with one vote in casting the votes. The exemption is made to the directors having interest in any matter shall be entitled to vote in such matter.

In case the votes are equal the Chairman of the meeting is required to make additional votes of one vote as final judgment.

Article 26. The director may notify the Company for acknowledgement without delay. If there are interests in the contract made by the Company, either directly or indirectly or holding additional or reduced shares, debenture in the company or its affiliates.

Article 27. The Board of Directors shall hold the meeting at least in 3 month-time at the premise locating the Head Office of the Company or nearby province or any other places designated by the Chairman of the Board.

Article 28. It is forbidden for the director to undertake as a partner in a partnership or being a director in private company or other public company conducting business with the similar condition and being in competition with the company's business except that notification is made to the Shareholder's Meeting for acknowledgement prior to the resolution is resolved.

Article 29. Under the provision of law governing a public company limited the Board of Directors empowered to sell or mortgage any immovable property of the Company or any rental of immovable property of the Company in exceeding 3 years or give or compromise, accept or institute cases to Court or give any disputes, are required to arbitration.

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CHAPTER 4
MEETINGS OF SHAREHOLDERS

Article 30. Meetings of shareholders are held at the location the company's headquarters is seated or nearby provinces or any place stipulated by the Board of Directors.

Article 31. The shareholders' meeting must be held at least once every year. It is called the "General Meeting" and must be held within four months following the end of the company's accounting year. Other shareholders' meetings are called the "Extraordinary Meeting".

The Board of Directors will summon any extraordinary meeting as they deem appropriate or when the shareholders holding the combined shares of not less than one-fifth of the total sold or when at least twenty-five shareholders holding the combined shares of not less than one-tenth of the total sold have signed their names in a single letter asking for the Board of Directors to arrange an extraordinary meeting. The said letter must clearly specify the purpose of the meeting requested and the Board of Directors must hold such a meeting within one month from the receipt date of the shareholders' letter.

Article 32. The Board of Directors must issue the invitation of each shareholders meeting that mentions the venue, the date and time, the meeting agenda, and the issues to be proposed including proper details. The said invitation must also mention as to whether an issue is proposed for acknowledgement, approval or consideration and the opinions of the Board of the Directors on each issue must be included. The invitation must be sent to the shareholders and the registrar at least seven days prior to the meeting date.

At least three days before the meeting date, the said invitation must be advertised in the newspaper for three consecutive days.

Article 33. The shareholders' meeting must be attended by at least twenty-five shareholders and proxies (if there is any) or at least a half of the entire shareholders and their combined shares must not be less than one-third of the whole sold shares. That is the quorum requirement.

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In case of the elapsing of one hour of the shareholders' meeting coupled with the failure of the shareholders to adhere to the stipulated quorum requirement, if that shareholders meeting has been summoned by the request of the shareholders, that meeting is to be cancelled. But if that meeting has not been called by the request of the shareholders, a new one is to be arranged and the invitation must be sent to shareholders at least seven days prior to the meeting date. The next meeting needs not abide by the quorum mandate.

Article 34. In the shareholders' meeting, any shareholder can authorize a proxy to vote for him/her. Not more than one proxy in the format designated by the registrar of the public company limited can be made and the proxy for such a purpose can be one person only, regardless of the number of shares the authorizer owns.

The delegation of powers requires the signature of the authorizer on the proxy, of which the format is stipulated by the registrar of the public company limited. A proxy must contain the following issues at the least:

- a) The number of shares the authorizer is holding,
- b) The name of the proxy,
- c) The ordinal number of the meeting to be attended and to cast the vote by the proxy.

A proxy must be submitted to the Chairperson of the Board of Directors or the person he has designated before the proxy attends such a meeting.

Article 35. In any shareholders' meeting, all shareholders can cast one vote for each share held by the shareholder.

In case that any shareholder has an interest in one particular issue, he is banned from the voting in that issue except the voting to select the Board of Directors.

Any voting or any approval giving towards any issue in the shareholders' meeting must be obtained via the major votes of the attending shareholders who are eligible to vote. This exempts the following cases, in which the major votes must not be less than three-fourths of the entire votes of the attending and eligible voters:

- a) Selling or transferring the entire business or a certain partial important business of the company to another person,

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- b) Purchasing or the receipt of the transferred business of any other public or private company.
- c) The making, correcting, or terminating of any contract of the out-lease of the entire business or a certain important business of the company, the authorization for any other person to manage the businesses of the company or the business merging with that of any other person under the objectives of profit and loss sharing.

Article 36. The businesses an annual shareholder meeting is required to do:

- 1) Consider the report of the Board of Directors that is proposed to the meeting regarding the company's business in the previous year.
- 2) Consider and approve the financial statements.
- 3) Consider and allocate profits.
- 4) Elect the directors replacing those retired by rotation.
- 5) Appoint the account auditor.
- 6) Consider any other business.

Article 37. In any shareholders' meeting, the Chairperson of the Board of Directors is the chairperson of such a meeting. In case of his/her absence or his/her unavailability to perform such a task, the Vice Chairperson of the Board of Directors, if present, will work in his place, but if the said Vice Chairperson is absent or cannot do so, the meeting can elect any shareholder to be the said chairperson.

**CHAPTER 5
ACCOUN AUDIT**

Article 38. The annual shareholder meeting must appoint an account auditor. The recently discharged account auditor can be reappointed.

Article 39. The account auditor will receive the remuneration as stipulated by the shareholder meeting.

Article 40. The Board Directors, employees, workers, or any person who is/are holding any post within the company cannot be appointed as the account auditor.

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Article 41. The account auditor must attend any shareholder meeting that takes into consideration the financial statements and the loss and profit accounts including the accounting problems of the company so that he can clarify details of the account auditing to the shareholders, and the company is required to submit the company's reports and documents the shareholders are legitimate to receive in such a meeting to the account auditor.

**CHAPTER 6
CAPITAL INCREASE**

Article 42. The company can increase its capital through new share issuance under the resolution of the shareholder meeting that achieves not less than three-fourths of the entire votes of the attending shareholders qualified to vote.

Article 43. The company can sell the said new shares by issuing all or a certain part and can sell them to the shareholders in proportion to the number of shares they are holding or can sell them to the public or sell all of them or a certain part to any other person, depending on the resolution of the shareholder meeting.

**CHAPTER 7
DIVIDENDS AND RESERVES**

Article 44. Any dividend payment must be announced under the resolution of the shareholder meeting or the resolution of the Board of Directors in case of the interim dividend payment. The dividend payment must be announced to shareholders as a letter and advertised in newspaper. The actual payment will be made within one month from the said resolution issuance.

Article 45. The Board of Directors can pay interim dividend periodically once it appears to the Board of Directors that the company has recorded profit sufficient to pay the dividend. When that is paid, the next shareholders' meeting must be acknowledged so.

Article 46. The dividend must be paid in proportion to the number of shares at the equal amount for each except stipulated otherwise for preference shares.

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Article 47. The company must allocate, as the reserve, not less than five per cent of the annual net profit less by the accumulated loss (if there is any) until the reserve is not less than ten per cent of the registered capital.

Besides the said reserves, the Board of Directors may propose to the shareholders' meeting to issue a resolution for the allocation of other reserves as deemed appropriate for the company's business operations.

At the end of the first half of the accounting period and the said financial statement, already audited by the authorized account auditor, has recorded the profit, which the Board of Directors has decided to be the accumulated profit to be allocated and the fund from the first date of the accounting period of the second half of that year. The Board of Directors can report that to the next shareholders' meeting.

CHAPTER 8 DEBENTURES

Article 48. The company can borrow by issuing debentures, which are to be sold to the public, under the securities and security exchange law.

The debenture issuance resolution as prescribed in the first paragraph must be supported by the resolution of the shareholder meeting that has acquired not less than three-fourths of the entire votes of the attending shareholders eligible to vote.

CHAPTER 9 BOOKS AND ACCOUNTS

Article 49. The accounting period of the company starts from January 1st to December 31st of every year.

Article 50. The Board of Directors must arrange the making and maintaining of the accounts including the correct auditing of the said accounts under relevant laws.

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Article 51. The Board of Directors must arrange the making of the balance sheet and the profit and loss account at least once every twelve months, which is the accounting and financial year of the company.

Article 52. The Board of Directors must arrange the preparation of the balance sheet and the profit and loss account as at the end of the company's accounting year. Both documents will be proposed to the annual general shareholders' meeting for approval. The Board of Directors must have the account auditor to finish the said account auditing before forwarding them to the shareholder meeting.

Article 53. The Board of Directors must send the following documents to the shareholders together with the schedule of the annual ordinary meeting.

- 1) The copy of the balance sheet and the profit and loss account already audited by the account auditor and his account auditing report.
- 2) The annual report of the Board of Directors and accompanying documents.

Article 54. The Board of Directors must arrange the register of the Board of Directors, reports of the meetings of the Board of Directors and shareholders, and all resolutions of the said meetings correctly recorded in books. Such books will be kept at the headquarters of the company or kept by any person in the location where the headquarters is seated or the nearby provinces but at the expense of a notification submitted to the registrar.

Article 55. The shareholders have the right to scrutinize the balance sheet, the profit and loss account and the reports of the account auditor every time during the working hours of the company and can ask the company to send them copies of the said documents certified as correct. In this regard, the company can ask for fees much as permitted by law.

CHAPTER 10 ADDITIONAL ISSUES

Article 56. The seal of the company shall have the following appearance.

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Article 57. In case that the company or any of its affiliates make a contract or an agreement directly or indirectly with any related person or conduct any action in order to acquire or dispose of the assets of the company and any of its affiliates, the company must do so in accordance with the announcements of the Stock Exchange of Thailand relevant to the said issues.

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