



**Joint Stock Company**  
**“AKCIJU KOMERCBANKA “BALTIKUMS””**  
**ARTICLES OF ASSOCIATION**

**1. Firm.**

The firm of the Company is the Joint Stock Company “Akciju komercbanka “Baltikums””, the JSC “Akciju komercbanka “Baltikums”” in short.

**2. Lines of Commercial Activities.**

The Company shall carry on the following commercial activities:

- 1) Other monetary intermediation (NACE 1.1 - 65.12);
- 2) Financial leasing (NACE 1.1 - 65.21);
- 3) Other lending services (NACE 1.1 - 65.22);
- 4) Other financial intermediation n.e.c. (NACE 1.1 - 65.23);
- 5) Administration of financial markets (NACE 1.1 - 67.11);
- 6) Security broking and fund management (NACE 1.1 - 67.12);
- 7) Activities auxiliary to financial intermediation n.e.c. (NACE 1.1 - 67.13).

**3. Fixed Capital and Types of Shares.**

3.1. The fixed capital of the Company amounts to 14,525,000 LVL (fourteen million five hundred and twenty five thousand lats). The fixed capital of the Company consists of 14,525,000 (fourteen million five hundred and twenty-five thousand) shares. The value of one share is 1 LVL (one lat).

3.2. All shares are registered.

3.3. The shares are dematerialised.

3.4. Conditions of increasing the fixed capital of the Company may provide for the shareholder who fails to pay up the full price of shares to retain the number of shares in proportion to the amount paid thereby.

**4. Board.**

4.1. The Board of the Company shall consist of 5 (five) Board Members.

4.2. The Board Members shall be elected by the Council. The Chairman of the Board and his Deputy shall be elected from among the Board Members by the Council.

4.3. Every Board Member shall only exercise representation rights together with another Board Member.

4.4. The Board Members shall be elected to their posts for one year, however for not longer than the Board's term of office.

4.5. The Board shall pass its resolutions by a simple majority of votes of participants. Should the votes divide equally, the Chairman of the Board shall have the casting vote.

4.6. The Board shall require the Council's consent in passing resolutions on significant issues. Such significant issues shall cover:

- 1) Acquiring substantial interest in other companies, increasing or decreasing the same, as far as this does not occur within the Company's normal commercial activities (acquisition and alienation of publicly circulated shares; acquiring interest, increasing or decreasing the same during restructuring of a loan in order to repay a debt in full or partially, etc.);
- 2) Acquisition or alienation of an enterprise;
- 3) Acquisition, alienation of property, encumbering the same with real rights, as far as this does not occur within the Company's normal commercial activities (during restructuring of a loan in order to repay a debt in full or partially, etc.);
- 4) Opening or closing branches, agencies and representation offices;
- 5) Concluding transactions exceeding the amount stated in the Council's resolutions;
- 6) Issuing loans that are not related to the Company's normal commercial activities;
- 7) Commencement of new lines of activities and termination of current lines of activities;
- 8) Determining general principles of activities;
- 9) Determining the strategy and the organisation structure;
- 10) Other issues pursuant to standard acts or the Company's internal legal acts.

## **5. Council.**

The Council shall consist of four Council Members.

## **6. Internal Audit Service.**

6.1. The Internal Audit Service shall ensure fulfilment of the functions of internal auditing and supervision of the Company.

6.2. The meeting of shareholders shall elect the Internal Audit Service, determine the number of its staff and its remuneration.

Riga, 30 April 2008.

JSC "Akciju komercbanka "Baltikums""

Member of the Board Dmitrijs Latisevs

Member of the Board Leonarda Visnevskā