

Audit Committee Charter

1.0 Function of the Audit Committee

- 1.1 The Audit Committee is appointed by the Supervisory Board in accordance with article 5.1 of the charter governing the Supervisory Board. The function of the Audit Committee is an advising function towards the Supervisory Board on the following matters:
- The risk management activities of the company and the internal control systems
 - The quality and integrity of the financial information of the Bank;
 - The role and functioning of the internal audit department;
 - The relationship with the external accountants in charge for the audit of the Company's financial statements;
 - Compliance with laws and regulations
- 1.2 The function of the Audit Committee is to prepare the decision-making of the Supervisory Board. The Audit Committee will focus on supervising the activities of the Managing Board on the matters as mentioned under 1.1.
- 1.3 The Audit Committee has the powers as set forth in this Charter, but not the duty to plan or conduct audits or to determine that the Bank's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. While the Audit Committee provides an avenue for communication among the internal auditing department, the outside auditors, and Managing Board, it is not the responsibility of the Audit Committee to conduct investigations, to resolve disputes, between these parties.

2.0 Composition of the Audit Committee

- 2.1 The Supervisory Board shall appoint a chairman of the Audit Committee.
- 2.2 The Audit Committee will consist of at least two members of the Supervisory Board, appointed by the Supervisory Board. The members are appointed until further notice.
- 2.3 All members must be independent, in accordance with article 3 of the charter governing the Supervisory Board.
- 2.4 In order to understand the Bank's business, financial statements and risk profile, the members collectively will have adequate expertise in accounting and financial management. At least one member of the Audit Committee must have accounting and related financial management expertise.

- 2.5 A secretary will be made available by the Bank, who will take minutes of every meeting.
- 2.6 The Audit Committee will evaluate its functioning with best practices on an annual basis.

3.0 Meetings of the Audit Committee

- 3.1 The Audit Committee shall meet at least four times a year unless otherwise specified. Minutes of the meetings are prepared and will be approved by the participants.
- 3.2 Except urgent cases, to be determined by the chairman of the audit committee, prior to the meeting the Audit Committee members shall receive an agenda and supporting documents within a reasonable period of time (usually 5 working days).
- 3.3 The Audit Committee will decide when the chief executive officer, members of the managing board, the chief financial officer, the external auditor and the internal auditor is required at the meeting. At least one meeting shall have the subject of the annual financials, audit report and management letter, whereby internal and external auditor shall attend this meeting.
- 3.4 The Audit Committee may request any officer or employee of the Bank or the Bank's outside counsel to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
- 3.5 Notwithstanding the previous paragraph, the internal auditor may request for a meeting with the chairman of the Audit Committee.
- 3.6 The Audit Committee will report its findings to the Supervisory Board, at least annually.

4.0 Duties and responsibilities

- 4.1 In order to fulfill its function, the duties and responsibilities of the Audit Committee shall include the review and assessment of the adequacy of this charter periodically and the recommendation of any proposed changes to the Supervisory Board for approval.
- 4.2 The responsibilities of the Audit Committee shall include the supervision of the activities of the Managing Board on:
 - a) The adequacy of risk management and internal control systems, including the compliance with laws and regulations, and the effect of codes of conduct; this will include application of information and communication technology;

- b) The disclosure of financial information by the Bank, in particular the annual accounts. This will include supervision of proper application of accounting policies and financial reporting standards. The Audit Committee shall advise the Supervisory Board on approval of the annual accounts;
 - c) The role and functioning of the internal audit department;
 - d) The relationship with the external auditor, with particular attention for the independence, the quality of the audit service, the compensation and involvement in services other than the audit of the financial statements;
 - e) The follow up and implementation of the internal and external auditors;
 - f) The compliance with laws and regulations;
- 4.3 The Audit Committee shall discuss, review and approve the annual plan and report of the internal audit department. This will include determination of audit areas, resource allocation, and cooperation with the external auditor. The Audit Committee may request the internal audit department to conduct examinations.
- 4.4 The Audit Committee will recommend the Supervisory Board on the appointment of the external auditor for the audit of annual accounts for approval by the general meeting of shareholders. The Audit Committee will review the report of external auditor and discuss audit results, the findings and issues for the year, and any problems or difficulties the auditor may have encountered and any management letter provided by the auditor and the Bank's response to that letter
- 4.5 The Audit Committee shall review the annual accounts prepared by the Managing Board and make a proposal to the Supervisory Board.
- 4.6 The Audit Committee will have unrestricted access to the Bank's information and documentation, as well as all officers.
- 4.7 The Audit Committee shall have the authority to retain any external legal, accounting or other advice and to invite third parties, if necessary, to attend its meetings.