

# Statutes

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In this document, words denoting any gender shall be deemed to include all genders.  
The Statutes are published in German and English. The German version is authoritative.

## I.

# Company name, registered office, objects and scope of operations

## Company

### Article 1

Pursuant to the Law of 21 October 1992 Governing the Liechtensteinische Landesbank (LLBG), a Liechtenstein public limited company has been established under the name of "Liechtensteinische Landesbank Aktiengesellschaft" (hereinafter referred to as the "Landesbank"). The company is permitted to operate for an indefinite period of time.

## Registered office

### Article 2

The Landesbank has its registered office in Vaduz. It is permitted to set up branch offices and subsidiaries both within and outside Liechtenstein.

## Objects

### Article 3

1) The Landesbank shall operate as a full-service bank and conduct banking transactions of all kinds for its own account and for the account of third parties both within and outside Liechtenstein.

2) The objects of the Landesbank include, but are not limited to:

- a) Promoting the economic development of the Principality of Liechtenstein in adherence to sound banking and commercial principles
- b) Seeking to generate reasonable profits, having due regard to its economic responsibility
- c) Satisfying public and private lending requirements
- d) Ensuring that the funds of domestic and foreign clients can be deposited and managed safely and profitably

3) The Landesbank is permitted to carry out all operations relating to the aforementioned objects.

## Scope of operations

### **Article 4**

- 1) The operations of the Landesbank shall include in particular:
  - a) The acceptance of deposits and other repayable assets
  - b) Engaging in lending transactions with institutional, commercial and private clients both within and outside Liechtenstein
  - c) Engaging in money and capital market transactions on the primary and secondary financial markets
  - d) Providing investment advisory and asset management services to institutional, commercial and private clients
  - e) Providing deposit-taking and payment transaction services to clients
  - f) Acting in the capacity of fund management company, paying agent and custodian bank and establishing such entities
  
- 2) The Landesbank is permitted to purchase and sell property both within and outside Liechtenstein, acquire interests in other companies and enter into partnerships on a contractual basis.

## II.

# Share capital, shares and borrowing

## Share capital

### Article 5

- 1) The share capital of the Landesbank is CHF 154 million (one hundred and fifty-four million Swiss francs), divided into 30'800'000 fully paid registered shares with a par value of CHF 5.
- 2) In terms of capital and voting rights, the Principality of Liechtenstein shall hold not less than 51 per cent of the shares and is not permitted to sell its interest.
- 3) The Landesbank may issue its registered shares as uncertificated book-entry securities. There shall be no obligation to issue share certificates. The Board of Directors may issue shares or certificates representing a number of shares. The shares or certificates shall bear the original or facsimile signature of not less than one member of the Board of Directors together with another member of the Board of Directors, or member of the Board of Management. The Board of Directors may resolve to issue simple membership confirmations to shareholders instead of shares or certificates. The Board of Directors may adopt more detailed rules on the issue of shares, certificates or membership confirmations.

## Share register

### Article 5a

The Landesbank shall maintain a share register containing owners of shares. Acquirers of registered shares

shall upon request be entered as shareholders with voting rights in the share register if they expressly declare that they have acquired these shares in their own name and for their own account. If the acquirer is not willing to make such a declaration, the Board of Directors may refuse entry with voting rights. This article is subject to a legal refusal of entry in the share register on important grounds.

## Right of pre-emption

### Article 6

- 1) In the event of a capital increase, existing shareholders shall be entitled to subscribe to a proportion of the newly issued shares equal to their current shareholding.
- 2) The Principality of Liechtenstein may waive its right of pre-emption, subject to its right to hold a majority of shares.

## Exercise of rights

### Article 7

The shares are indivisible, and the Landesbank shall only recognise one representative per share.

## Borrowing

### Article 8

The Landesbank may raise additional funds by borrowing in any form ordinarily offered by banks.

### III.

# Organe

## Governing bodies

### Article 9

The governing bodies of the Landesbank are:

- a) The General Meeting of Shareholders
- b) The Board of Directors
- c) The Board of Management
- d) The auditors

## A) The General Meeting of Shareholders

### Supreme governing body

#### Article 10

The General Meeting of Shareholders is the supreme governing body of the Landesbank.

### Powers

#### Article 11

The General Meeting of Shareholders shall have the following powers:

- a) Adopting resolutions with regard to amendments to the Articles of Association
- b) Appointing the members and the Chairman of the Board of Directors and dismissing them for good cause
- c) Appointing the auditors in accordance with the Liechtenstein Persons and Companies Act (PGR) and Banking Act (BankG)
- d) Approving the annual report (annual financial statements and management report) and the consolidated annual report (consolidated financial statements and consolidated management report)
- e) Passing resolutions on the appropriation of distributable net profit

- f) Formally approving the actions of the Board of Directors, the Board of Management and the auditors
- g) Increasing and decreasing the share capital
- h) Converting bearer shares into registered shares and registered shares into bearer shares
- i) Adopting resolutions with regard to the dissolution and liquidation of the Landesbank

## Annual and Extraordinary General Meeting of Shareholders

### Article 12

- 1) The Annual General Meeting of Shareholders shall be held within six months of the close of the financial year.
- 2) Extraordinary General Meetings of Shareholders shall be held whenever the Board of Directors sees fit.
- 3) The Board of Directors shall convene an Extraordinary General Meeting of Shareholders upon the written request of shareholders representing not less than ten per cent of the share capital. Such written request shall refer to the purpose for which the meeting should be convened.

## Convocation of General Meetings

### Article 13

- 1) The Board of Directors shall convene General Meetings by giving 30 days' notice. The notice convening the meeting shall be published on the company's website and in such other media as shall be determined by the Board of Directors.

- 2) The notice convening the meeting shall include the information prescribed by law, including, but not limited to, the business to be transacted, the proposals put forward and, where elections and appointments are to be made, the names of the proposed candidates.

## Agenda

### Article 14

- 1) The General Meeting of Shareholders may only pass resolutions on transactions that are included in the agenda, with the exception of proposals to convene an Extraordinary General Meeting of Shareholders.
- 2) Shareholders who jointly represent not less than five per cent of the share capital may call for an item of business to be added to the agenda for General Meetings by tabling a resolution.
- 3) Proposed agenda items shall be submitted no later than 21 days prior to the date of the General Meeting. The Board of Directors shall notify any changes to the agenda not later than the thirteenth day prior to the General Meeting in accordance with Article 13(1) sentence 2.

## Proposals

### Article 15

- 1) Shareholders who jointly represent not less than five per cent of the share capital shall have the right, prior to the General Meeting, to submit proposals regarding items on the agenda, or items that have been added to the agenda in accordance with Article 14(2) and (3).

- 2) Except as otherwise provided herein, any shareholder may put forward proposals regarding items on the agenda during the General Meeting.

## Voting rights

### Article 16

Each share shall confer the right to cast one vote at the General Meeting.

## Proceedings at the General Meeting

### Article 17

- 1) The Chairman of the Board of Directors or, in his absence, another member to be determined by the Board of Directors, shall preside over the General Meeting. The Chairman shall appoint the tellers and a recorder of the minutes.
- 2) The Chairman shall determine the method of voting and specify the voting procedure. Resolutions and appointments put to the vote of the meeting shall be decided at the venue at which the meeting is held on a show of hands, by written ballot or using an electronic voting system.
- 3) The Board of Directors may permit all or parts of the General Meeting to be recorded and transmitted audio-visually, provided that it has announced this in the notice convening the meeting.

## Attendance and representation at General Meetings

### Article 18

- 1) The Board of Directors shall adopt rules of procedure regarding attendance and representation at

General Meetings, including the requirements with regard to proxies.

- 2) The Board of Directors may resolve that it is permissible to transmit notices, appoint proxies and issue instructions using electronic methods of communication.
- 3) Shareholders may be represented by another voting shareholder at the General Meeting provided they have appointed such proxy by a notice in writing. The Chairman shall determine whether such proxy notices may be recognised.
- 4) Any proxy may act as proxy for more than one shareholder and vote differently on behalf of different shareholders.
- 5) The Board of Directors may appoint an independent proxy to vote on behalf of the shareholders at the General Meeting.

## Quorum and resolutions

### Article 19

- 1) The General Meeting of Shareholders shall constitute a quorum if 50 per cent of the share capital is represented. Where a shareholder has cast his vote in advance of the General Meeting (postal voting), his share capital shall be deemed to be represented for the purposes of determining whether a quorum is present.
- 2) If no quorum is present, a second General Meeting shall be called within two weeks, which shall be deemed to constitute a quorum irrespective of the

number of shares represented, unless otherwise prescribed by law or the Articles of Association.

- 3) Unless otherwise prescribed by law, resolutions and appointments put to the vote of the General Meeting of Shareholders shall be decided by an absolute majority of the votes cast.

## Voting in advance of the General Meeting (postal voting)

### Article 20

The Board of Directors may permit shareholders to cast their votes in advance of the General Meeting in writing or using electronic methods of communication.

## Specific forms of participation at General Meetings

### Article 21

The Board of Directors may permit shareholders to participate in General Meetings without attending the meeting in person and without appointing a proxy. The Board of Directors shall determine the rights that may be exercised by shareholders in the event that electronic methods of communication are used.

## Right to put questions

### Article 22

Each shareholder shall have the right to ask questions regarding the business to be transacted at General Meetings. The Board of Directors and Board of Management shall respond to any questions put, provided that the meeting is conducted in an orderly manner, confidentiality is maintained and the interests of the business are safeguarded.

## B) The Board of Directors

### Composition

#### Article 23

The Board of Directors shall be composed of between five and seven members, who shall be elected individually by the General Meeting of Shareholders.

### Term of office

#### Article 24

- 1) The members of the Board of Directors and the Chairman shall be appointed for a term of three years, where a year shall be deemed to be the interval between one Annual General Meeting of Shareholders and the next. Any member appointed to replace another, or any replacement Chairman, shall be appointed for a full three-year term of office.
- 2) Members may be re-elected twice. Once the Chairman has served three terms in office, he may, by way of exception and provided the circumstances so warrant, be re-elected for an additional term not exceeding two years.

### Organisation

#### Article 25

The Board of Directors shall adopt rules of procedure with regard to its organisation. It shall appoint a Vice Chairman from among its members.

### Duties and powers

#### Article 26

- 1) The Board of Directors shall be responsible for the overall direction, supervision and control of the Landesbank. It shall exercise and discharge any powers and duties, which have not been assigned to other governing bodies by the law, under these Articles of Association or the rules of procedure.
- 2) In particular, the Board of Directors shall have the following nonassignable duties and powers:
  - a) Preparing proposals to be put forward to the General Meeting of Shareholders, passing resolutions with respect thereto and ensuring that resolutions adopted by the General Meeting of Shareholders are implemented
  - b) Defining the organisational structure and issuing any directives and instructions that may be required
  - c) Establishing and organising the accounting system, financial control, risk monitoring, financial planning and the preparation and disclosure of accounting documents, including the annual report (annual financial statements and management report), the consolidated annual report (consolidated financial statements and consolidated management report), approving the interim financial statements and the consolidated interim financial statements
  - d) Appointing and dismissing the Chairman of the Board of Management and members of the Board of Management

- e) Overseeing the persons responsible for operational management, having particular regard to compliance with legislation, the Statutes, rules and regulations and the business performance of the company
- f) Appointing the Internal Audit reporting directly to it; appointing the members of staff working for the Internal Audit and granting signatory powers to them; adopting specific rules and regulations defining the powers and duties incumbent upon the Internal Audit
- g) Establishing branch offices
- h) Determining the terms of issue with regard to any capital increase

## Committees

### Article 27

- 1) The Board of Directors may appoint its members to form any committees or advisory boards deemed necessary by it. The Board of Directors shall determine the composition, the Chairman and the powers and duties of any committees and advisory boards appointed by it, and shall adopt any rules and regulations that may be required.
- 2) The Board of Directors shall, in particular, appoint an Audit and Risk Committee and a Nomination and Remuneration Committee.

## Assignment of powers

### Article 28

Subject to the duties and powers laid down in Article 26, the Board of Directors may assign any or all of its powers to individual members of the Board of Directors or to third parties in accordance with the rules of procedure.

## Convocation of meetings

### Article 29

Meetings of the Board of Directors shall be convened by the Chairman as often as business requires, or upon the written request of any member, but shall be held no less than four times a year.

## Resolutions and minutes

### Article 30

- 1) The Board of Directors shall constitute a quorum provided the majority of its members is present.
- 2) In urgent cases, resolutions may be adopted by circular, provided that all members of the Board of Directors have consented to such procedure.
- 3) Resolutions put to the vote of the Board of Directors shall be decided by a simple majority of the votes cast. In the event of a tie vote, the Chairman shall have the casting vote.
- 4) Minutes shall be kept of all business transacted and resolutions passed by the Board of Directors, which shall be signed and retained.

## C) The Board of Management

## Composition

### Article 31

- 1) The Board of Management of the Landesbank shall be composed of the Chairman of the Board of Management and at least two other members.
- 2) The Board of Directors defines the organisation of the Board of Management in the rules of procedure.

## Duties and powers

### Article 32

- 1) The Board of Management shall be responsible for the operational management of the Landesbank and shall represent the Landesbank in dealings with third parties.
- 2) In particular, the Board of Management shall have the following duties and responsibilities:
  - a) Submitting proposals for the organisation of operations in general and requests for specific transactions to the Board of Directors and any committees responsible, insofar as such matters concerned fall outside the authority of the Board of Management
  - b) Ensuring that resolutions adopted by the Board of Directors and any committees appointed by it are implemented
  - c) Appointing persons who may sign on behalf of the Landesbank as authorised officers, assistant vice presidents, vice presidents, executive directors and managing directors, with the exception of members of the Internal Audit
  - d) Issuing any instructions, guidelines and directives that may be required regarding the management of branch offices and the functions to be performed by representative offices
  - e) Reporting on the progress of business at regular intervals to the Board of Directors, any relevant committees appointed by the Board of Directors and, in particular, the Chairman, and submitting the draft annual report (annual financial statements and

management report) and the draft consolidated annual report (consolidated annual financial statements and consolidated management report) to the aforementioned parties

## D) The auditors

### The auditors

#### Article 33

- 1) Every year, the General Meeting of Shareholders shall appoint one or more individuals or legal entities to act as auditors pursuant to statutory provisions.
- 2) The auditors shall be responsible for verifying compliance with the provisions of the law, the Statutes and other rules and regulations.

## IV.

# Other provisions

## Signatory powers

### Article 34

- 1) The members of the Board of Directors, members of the Board of Management and authorised signatories for the Landesbank shall have joint signatory powers requiring the signatures of two signatories. Authorised officers shall only be permitted to sign jointly with a higher-ranking officer.
- 2) The Board of Directors may define alternative signatory arrangements for specific transactions.

## Accounts

### Article 35

- 1) The financial year shall coincide with the calendar year.
- 2) The Landesbank shall prepare an annual report (annual financial statements and management report) and a consolidated annual report (consolidated financial statements and management report), which shall be submitted to the auditors for auditing purposes and subsequently to the General Meeting of Shareholders for approval.
- 3) The annual report and the consolidated annual report, together with the auditors' report, shall be made available to the shareholders for inspection at the registered office of the Landesbank not less than 30 days prior to the Annual General Meeting of Shareholders.
- 4) The annual reports shall be prepared and published in accordance with the provisions of banking legislation.

## Appropriation of profits

### Article 36

Any residual net profit after allocation to statutory reserves shall, subject to applicable legislative provisions, be at the disposal of the General Meeting of Shareholders. The General Meeting of Shareholders shall adopt resolutions regarding dividend payments, the creation and appropriation of reserves and any other allocations to be made.

## Employment

### Article 37

The members of the Board of Management and all Landesbank employees are employed under private law.

## Arbitration

### Article 38

- 1) Any legal disputes concerning corporate matters between the Landesbank and its governing bodies or individual members thereof, or the shareholders, or between members of governing bodies shall be heard and determined by an arbitration tribunal without recourse to ordinary courts of law.
- 2) Arbitration proceedings shall be governed by the applicable provisions of the Liechtenstein Code of Civil Procedure (ZPO).

## Dissolution and liquidation

### Article 39

The procedures applying to the dissolution and liquidation of the Landesbank shall be as prescribed by law.



