

AMENDED RULES OF PROCEDURES OF BOARD OF GOVERNORS OF THE NEW DEVELOPMENT BANK

Adopted at the inaugural meeting of the Board of Governors, 7 July 2015 and amended on 20 July 2016.

Rules of Procedure of the Board of Governors

These Rules of Procedure of the Board of Governors (hereinafter referred to as the "Rules") are adopted under the authority of, and are intended to be complementary to the Agreement on the New Development Bank and the annexed Articles of Agreement of the New Development Bank (the latter hereinafter referred to as the "Articles of Agreement") and they shall be construed accordingly.

In the event of a conflict between these Rules and the Agreement on the New Development Bank and Articles of Agreement, the Agreement on the New Development Bank and the Articles of Agreement shall prevail.

Section 1: Definitions

- a) "Agenda" refers to the list of items to be considered at a meeting.
- b) "Articles of Agreement" refers to the Articles of Agreement of the New Development Bank.
- c) "Board" refers to the Board of Governors.
- d) "Director", except where otherwise specified, includes the Alternate when such Alternate is acting for a Director.
- e) "Electronic Meeting" means a meeting of the Board where one or more Governors participate(s) in the meeting by means of teleconference, videoconference or any other electronic means.
- f) "Governor", except when the Governor is acting as the Chairperson or Vice-Chairperson of the meeting under Section 6, includes the Alternate or a Temporary Alternate, when such Alternate is acting for a Governor.
- g) "Member" means a member of the Bank.
- h) "President" refers to the President of the Bank or to a Vice-President when he or she is acting in place of the President.
- i) "Quorum" means the minimum number of Governors whose presence is necessary for a meeting.
- j) "Secretary" means the Corporate Secretary of the Bank or in the absence of the Corporate Secretary an official specially designated by the President to serve as the Secretary of the Board of Governors and Board of Directors.

Section 2: Meetings

- a) The Board shall hold an annual meeting at such date and place as the Board shall determine. However the Board of Directors may change the date and place of such annual meeting when special circumstances arise to justify such action.
- b) The Board may, in addition, hold special meetings when it so decides or when called by the Board of Directors pursuant to paragraph (c) of Article 11 of the Articles of Agreement.
- c) The President shall notify all members, by the most rapid possible means of communication reasonably available, of the date and place of each meeting of the Board. Such notifications must be dispatched at least forty-five (45) calendar days prior to the date of the annual meeting and thirty (30) calendar days prior to the date of a special meeting. In case of emergency, notification by any rapid means of electronic communication ten (10) calendar days prior to the date set for the meeting shall be sufficient.
- d) A majority of the Governors shall constitute a Quorum for any meeting of the Board, provided such majority represents not less than two thirds of the total voting power of the members.
- e) Any meeting of the Board at which there is no Quorum may be adjourned by the majority of the Governors present. No notice needs to be given of any such adjourned meeting.
- f) Any meeting of the Board at which there is no Quorum may be postponed. No notice needs to be given of any such postponed meeting.
- g) The Board may temporarily adjourn any meeting and resume the meeting at a later date.
- h) The Board may convene an annual or special meeting as an Electronic Meeting, in which one or more of the Governors participate through electronic means. Governors participating by electronic means in an electronic meeting shall be included for the purposes of the Quorum for that meeting.
- i) Except as otherwise specifically directed by the Board, the President, together, with the Chairperson of the Board, and in co-operation with the host country, shall have charge of all arrangements for the holding of meetings of the Board.

Section 3: Attendance at the meetings

- a) The President may attend any meeting of the Board and participate herein. However the President shall not be entitled to vote at such meetings.
- b) The Directors and their Alternates may attend any meeting of the Board and participate herein. However, the Directors and their Alternates shall not be entitled to vote, unless they shall be entitled to vote as Alternate Governor or Temporary Alternate Governor.
- c) The Vice-Presidents and other officials of the Bank may also attend and participate in Board meetings following a notification by the President.

- d) Governors may be assisted by Advisors after prior notification to the Chairperson of the Board, through the Secretary. The Board may restrict such attendance if circumstances so dictate.
- e) The Chairperson of the Board after a decision by the Board may invite observers to attend any meeting of the Board.

Section 4: Agenda for the meetings of the Board

- a) Under direction of the Board of Directors, the President shall prepare and circulate the agenda for each meeting of the Board of Governors to members together with, or in advance of, the notice of the meeting.
- b) Additional subjects may be placed on the agenda for any meeting of Governors by any Governor provided that he or she shall give notice thereof to the President at least fifteen (15) calendar days prior to the date of the meeting. The President shall give notice of such additional items through a revised agenda or supplementary list to be communicated to members within 48 hours of receipt of such notice from the Governor.
- c) The agenda, as well as any supplementary list, shall be submitted to the Board for approval at the first business session of each meeting by the Chairperson of the Board.
- d) In the course of any meeting of the Board, the Board may modify, add to, or eliminate items from the agenda. In exceptional cases the President, under the direction of the Board of Directors, may include at any time additional items in the draft agenda for any meeting of the Board of Governors. The President shall notify each Governor of such additional items as quickly as possible.
- e) Documents for discussion in the Board shall be submitted at least fourteen (14) calendar days before the meeting, except in the case of emergencies or where documents contain commercially confidential information, or other categories of documents which the Board had decided to handle under expedited procedures, shall be submitted to the Board at least seven (7) calendar days before the meeting.

Section 5: Representation of members

At each meeting of the Board, the Secretary shall submit a list of the Governors, Alternates, or Temporary Alternates of the members whose appointment has been officially communicated to the Bank.

Section 6: Chairperson and Vice-Chairperson

- a) At the beginning of its inaugural meeting the Board, under the chairpersonship of the Governor for the host country, the Board shall elect one of its Governors to be

Chairperson and another to be Vice-Chairperson and they shall serve in their respective positions until the end of the first annual meeting of the Board. In the absence of the Chairperson, the Vice-Chairperson shall act in his or her place.

- b) At the end of each annual meeting the Board shall elect one of its Governors to be Chairperson and another Governor to be Vice-Chairperson, and they shall serve in their respective positions until the end of the next annual meeting of the Board. In the absence of the Chairperson, the Vice-Chairperson shall act in his or her place.

Section 7: Secretary

The Corporate Secretary of the Bank shall serve as Secretary of the Board.

Section 8: Committees

The Board may at any meeting establish such committees as may be necessary or appropriate to facilitate its work and such committees shall report to the Board.

Section 9: Voting

- a) Except as otherwise specifically provided for herein or in the Articles of Agreement, all matters before the Bank shall be decided by a simple majority of votes cast. Where provided in the Articles of Agreement, a qualified majority shall be understood as an affirmative vote of two thirds of the total voting power of the members and special majority shall be understood as an affirmative vote of four of the founding members concurrent with an affirmative vote of two thirds of the total voting power of the members. At any meeting the Chairperson may ascertain the sense of the meeting in lieu of a formal vote but a formal vote shall be taken whenever requested by any Governor; in this event the written text of the proposal to be voted upon shall be distributed to the Governors.
- b) At any meeting of the Board, the vote of any member must be cast in person by the Governor, his or her Alternate, or in their absence, by a formally designated Temporary Alternate appointed by a member for the purpose of attending and voting at the Board when both the Governor and his or her Alternate are absent.

Section 10: Voting without meeting

- a) Whenever the Board of Directors consider that a specific question for the Board to determine, should not be postponed until the next annual meeting of the Board and does not warrant the calling of a special meeting of Board, the Board of Directors, may request the vote of the Governors on a specific question without calling a meeting of the Board. The Board of Directors via the Secretary shall promptly transmit to each Governor the proposals relating to that question with a request for a vote on such proposals.

- b) In compliance with such request, votes shall reach the Bank within such period as may be determined by the Board of Directors, but no less than fifteen (15) calendar days. Upon expiration of that period, the President shall report the votes to the Board of Directors which shall record the results of the voting in applying the provisions of paragraphs (a), (b) and (c) of Article 6 of the Articles of Agreement as if the meeting of the Board has been held. The President shall communicate the results to all Governors. Unless replies are received from the majority of the Governors, representing not less than two thirds of the voting power, the proposals shall lapse, unless the period is extended by the Board of Directors. The Board of Directors may not extend the period more than once.

Section 11: Summary record of proceedings and Minutes

- a) The Secretary shall be responsible for the preparation of minutes and a summary record of the proceedings of the meetings of the Board.
- b) The draft minutes and summary record of the proceedings shall be reviewed by the Chairperson and circulated to all Governors as soon as possible, but no later than seven (7) calendar days after the meeting.
- c) The minutes shall contain: (i) the names of attendees; (ii) a record of the approval of the minutes of the previous meeting; (iii) titles of the agenda items; and (iv) agreements and decisions reached.
- d) Any Governor may within fourteen (14) calendar days from receipt of the summary record, require that his or her views be recorded in the summary record of the meeting.
- e) The Secretary shall be responsible for the custody of the minutes, summary records of the proceedings and other documents relating to proceedings of the Board and shall be the only person authorised to certify copies thereof.

Section 12: Publicity

The summary records of the proceedings of the Board are confidential and shall not be published, except when the Board decides to authorise the President to arrange for suitable publicity on any matter relating thereto.

Section 13: Language

At meetings of the Board the working language shall be English.

Section 14: Amendments

These Rules may be amended by the members of the Board by special majority.