



The publication of the present decree-law reflects Government's commitment to offer credit lines to East Timor's population as a means of alleviating poverty and promoting economic development, particularly in rural areas. UNTAET Executive Order No. 2001/8 of 1 December on the establishment of the Microfinance Institution of East Timor seems not to be in any way into line with the reality of the institution and the State of East Timor. The conversion of this institution into an entirely public incorporated company is this way necessary so as to ensure its consonance with East Timor's laws and to expand its activities within the bank and financial sector.

Thus,

In terms of Article 115, paragraphs e) and i) of the

following ones are deemed to be concerned persons as regards to BNCTL, S.A.:

- a) The power organs;
- b) The public institutions;
- c) Any legal entity in which the State has a stockholding or which is either directly or indirectly controlled by this one;
- d) Any legal entity with a director or a stockholder who is at the same time a director, an audit committee's member or a manager with the right or the power to individually or jointly bind BNCTL, S.A.;
- e) Any legal entity with a director or a stockholder whose husband or wife, ancestors or descendants in any degree or collaterals until the second degree, including those tied to them through adoption, are at the same time directors, audit committee's members

- b) The organizational structure and internal organization of BNCTL, S.A.;
- c) The functions and competences of each of its sections or internal organs;
- d) The annual financial reports of BNCTL, S.A.;
- e) Its subsidiary or affiliate companies and all entities in which it has a stockholding, a representation or an intervention, whatever is their nature and legal basis;
- f) The composition of its organs as well as the identification of the persons in charge of the senior management of BNCTL, S.A.;
- g) The information concerning the personnel, including, in a broad and consolidated way, the total pay earned by the personnel at its service;
- h) The pay earned by each director, each audit committee's member, each member of the risk management committee, by the secretary and by any person in charge of the senior management of BNCTL, S.A., including entertainment expenses, travel expenses, daily allowances and any other expenses in general.

A c e
L e c t e n

1. The employees of East Timor's Microfinance Institution shall keep all their rights and obligations in the face of BNCTL, S.A., according to the status they hold on the date the present statute enters into force.
2. The legal regimes of the individual work contract and of the contract for the rendering of services shall apply to the employees of BNCTL, S.A.

A c e
L e c t e n

1. The by-laws of the BNCTL, S.A. shall become effective as far as third parties are concerned from the date of entry into force of the present statute, regardless of their registration.
2. The hereto enclosed by-laws of the BNCTL, S.A. do not need to be reported in a public deed and their registration must be unofficially made on the basis of the country's Official Gazette in which they have been published.
3. Any modification to the by-laws may only be introduced by decree-law.

A c e
L e c t e n

Until the Central Bank is fully installed and initiates its functions, all the powers hereby conferred on it shall be exercised by the Banking and Payments Authority of East Timor.

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L e c t e n

UNTAET Executive Order No. 2001/8 of 1 December is hereby revoked.

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This statute shall enter into force on the day after its publication date.

Approved by the Council of Ministers on 10 November 2010.

The Prime Minister,

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The Minister of Economy and Development,

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Promulgated on 18 January 2011.

To be published.

The President of the Republic,

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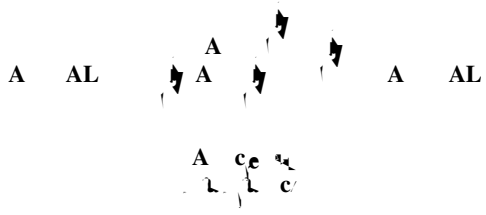
1. The National Trade Bank of East Timor, Inc. [Banco Nacional de Comércio de Timor-Leste, S.A.], shortly called as BNCTL, S.A., has the legal nature of an entirely public incorporated company.
2. The company is set up for an unlimited period of time.

A c e
L e c t e n

1. The head office of BNCTL, S.A. is located in Dili.
2. The board of directors may move the head office of BNCTL, S.A. to any other place within the national territory or establish offices, branches, agencies or other forms of local representation somewhere in the national territory or abroad.

A c e
L e c t e n

1. The BNCTL, S.A. aims at providing bank and financial services in order to help reduce poverty and favor the development of economic activities throughout East Timor.
2. In complying with the goal set in the previous number, the BNCTL, S.A. may carry out such bank



information on conflicts of interests laid down by the

c) To ensure the proper implementation of the decisions taken by the board of directors.

2. The president of the board of directors shall be replaced by the vice president in case of absence or impediment.

A c t

c e n t r a l e c e l e c t i v e

1. The board of directors shall meet ordinarily with the periodicity set by itself and extraordinarily whenever it has been called to meet by its president's own initiative or at the request of one director, in case the number of members of the board of directors is not higher than five, or of two directors, in case the number of members of the board of directors is higher than five.

2. The meetings shall take place at the company's head office or at the place specified in the call notice.

3. The board of directors may only validly decide as long as the majority of its members is present.