

**Regulation of the council
board monitoring**

ONE. GENERAL PROVISION

- 1.1. In terms of article 27 of the Law on Central Bank (Bank of Mongolia) the Supervision board (further The council) will consult to the President of the Bank's privileges related his performance.
- 1.2. The Council shall implement its operation within the scope of Central Bank Law, Banking Law and other related laws and regulations.
- 1.3. The purpose of this regulation is to prompt and regulate statement project, faction, act, monitoring report and other related activities regarding councils operation. Also to regulate councils operation and provide by information.

TWO. STRUCTURE OF THE COUNCIL

- 2.1. The operation and structure of the council implements by meeting and votation.
- 2.2. Council's members are the President of the Mongolbank, First and Deputy President, Deputy President, Director General of Monitoring Department, Director of Restructure Division, Director of Monitoring Division, Director of Distance Monitoring Division, Director of Legal Division. In case of necessary its include other related Directors of Department and Division.
- 2.3. The council has secretary, who is responsible to prepare meeting, to protocol, to present monitoring report and collect votes etc. The secretary should be senior controller of Monitoring Department by Deputy Presidents propose.
- 2.4. Councils meeting are non regular, and the President will be able to convene a meeting by any other Presidents proposes. The meeting is valid in case of two third of members are available.

- 2.5. During provisional conclusion and present of Monitoring Report, the President of the Mongolbank or Vice President in charge of Monitoring are able to convene a Council meeting if required.

Three. The Council's meeting

- 3.1. The Council will discuss the following tasks and advice to the President of the Mongolbank.
 - 3.1.1. Half yearly and annual monitoring report of the Central bank to other Banks that required discussing by the Council.
 - 3.1.2. Mongolbank's quarterly conclusion of provisional monitoring report to other banks that requires Council discusses.
 - 3.1.3. Consolidate quarterly conclusion of system introduction, introduction of amendments to the rules and regulations that required discussing by the Council.
 - 3.1.4. Other related questions regarding bank's monitoring
- 3.2. Council's meeting leads by President of the Mongolbank, if unavailable First Deputy President.
- 3.3. An only council member has voting rights in discussion.
- 3.4. In the case of the council's member absence, other employee will represent within right to vote.
- 3.5. Monitoring team leader /if required other team member-supervisor/ will attend in a meeting. Possibilities to attend employee of Mongolbank and other related organizations / government, bank etc/ are acceptable.
- 3.6. In the meeting protocol plots task of discussion, the name and title of employee that introduced the task, decision and assignment, permit from discussion etc.
- 3.7. Secretary of the council records the protocol fully and true including all discussed tasks, and member's speech.
- 3.8. It's prohibited to change the plot of the protocol, and discussion tasks.
- 3.9. Council's secretary prepares protocol within one day, and have to be reviewed and signed by council members.
- 3.10. Members are able to see protocol and revise related his/him suggestion.
- 3.11. In the case, that decision goes to introduce the Council of Mongolbank Directors, secretary informs Director of Administration Department to include in the list of discussion of nearest meeting.
- 3.12. Secretary transfers protocol, appendix, and audio report to the Security administrator within following quarters 25th day of the first month.
- 3.13. President or First Vice President permits task to discussion pass the following requirements:
 - 3.13.1. Members completely look over and gave their suggestion
 - 3.13.2. If required, draft decision be attached
 - 3.13.3. Project signed by Director of Department /Division/
- 3.14. Council's bylaw is below:

- 3.14.1. Monitoring report and other related documents are all introduced before the Councils meeting. Procedure of the meeting is: short introduction, query, voting and decision.
- 3.14.2. Questions should be related to the monitoring report, and asks only members
- 3.14.3. After query goes suggestion
- 3.14.4. Head of the Councils meeting makes summary, and introduces
- 3.14.5. During the Councils meeting members allow to get absence from the Council's head. Secretary records on the protocol.
- 3.14.6. Protocol records when other participant of the meeting gives their suggestion, before their speech and they introduce themselves.
- 3.15. Urgent case regarding monitoring report, President of the bank decides whether continue the Councils meeting by Directors meeting.
- 3.16. By the permits of Division for Secret allowed copyright of councils meeting protocol. Council's secretary signs "Copyright is true".
 - 3.16.1. Task regarding Government's secret discussed by closed meeting. Prohibited any type of record.
 - 3.16.2. Reports regarding closed meetings dismissed with marking during the meeting, and collects after discussing.

Four. Voting

- 4.1. The council's secretary introduces the following materials to members, and gets their votes.
 - 4.1.1. Half yearly and annual monitoring report of the Central bank to other Banks
 - 4.1.2. Director of Monitoring Department decide to introduce Mongolbank's quarterly conclusion of provisional monitoring report to other banks that requires Council discusses.
 - 4.1.3. Mongolbank's restructure, consolidate quarterly conclusion of system introduction, introduction of amendments to the rules and regulations from the Division and Departments, which requires discussing by the Council
 - 4.1.4. Director for Monitoring Department if decides, other related questions.
- 4.2. Head of Monitoring Group numbers Monitoring Report, attaches Voting pages and gives to the Councils Secretary.
- 4.3. Auditors from Distance Monitoring Division attach voting pages to quarterly Provisional Monitoring Conclusion and gives to the Councils secretary.
- 4.4. Auditors from Division of Restructure and Policy attach voting pages to consolidate quarterly conclusion of system introduction, introduction of amendments to the rules and regulations and gives to the Councils secretary.
- 4.5. Council's secretary sign the dates in voting pages when gives and get back reports to members.
- 4.6. Council members give their vote to the reports no more than one day.
- 4.7. If President decides to introduce Monitoring Report to Directors meeting, Councils secretary informs Director of Administration in order to include discussion list.

- 4.8. Council's secretary gives a short introduction of Monitoring report to a member of Directors before the meeting.
- 4.9. Council's secretary, Head of Monitoring Group and employee of Secret Division organize delivery of monitoring act from the Directors meeting with a statement of Mongolbanks Presidents to other Banks.