

Constitutive document of the legal entity with OGRN 1027739555282 was filed to enter the record under GRN 2247707394350 dated 31.07.2024 into EGRUL

THE DOCUMENT IS SIGNED BY AN ENHANCED QUALIFIED ELECTRONIC SIGNATURE

**details of electronic signature certificate**

Certificate: 63EAE0489E208936BA2BF3193712EE7E  
Holder: INTERREGIONAL INSPECTORATE OF THE FEDERAL TAX SERVICE FOR CENTRALIZED DATA PROCESSING  
INTERREGIONAL INSPECTORATE OF THE FEDERAL TAX SERVICE FOR CENTRALIZED DATA PROCESSING  
Valid: from 30.01.2024 to 24.04.2025

RATIFIED

Deputy Chairman of the Central Bank of the Russian Federation

[s] F.G. Gabunia  
(personal signature) (initials, surname)

30 July 2024

*[seal of the Bank of Russia]*

SEAL

**CHARTER**

**of**

**CREDIT BANK OF MOSCOW  
(public joint-stock company)**

**CREDIT BANK OF MOSCOW**

Approved:  
by the annual  
General Shareholders' Meeting  
Minutes No. 02 dated 25 June 2024

**City of Moscow**

**2024**

## Contents

Article 1. GENERAL PROVISIONS.....	3
Article 2. THE BANK’S REGISTERED OFFICE AND ADDRESS .....	4
Article 3. BANKING OPERATIONS AND OTHER TRANSACTIONS .....	4
Article 4. SECURING CUSTOMERS’ INTERESTS .....	5
Article 5. CHARTER CAPITAL. PROPERTY.....	6
Article 6. SHARES AND OTHER EMISSION SECURITIES OF THE BANK.....	8
Article 7. RIGHTS OF THE BANK’S SHAREHOLDERS .....	10
Article 8. THE BANK’S SHAREHOLDER REGISTER.....	11
Article 9. THE BANK’S INCOME. DIVIDEND PAYMENT .....	11
Article 10. FUNDS OF THE BANK .....	12
Article 11. MANAGEMENT OF THE BANK.....	13
Article 12. GENERAL SHAREHOLDERS’ MEETING .....	13
Article 13. SUPERVISORY BOARD .....	18
Article 14. MANAGEMENT BOARD .....	25
Article 15. CHAIRMAN OF THE MANAGEMENT BOARD .....	27
Article 16. CONTROL OVER FINANCIAL AND BUSINESS ACTIVITIES OF THE BANK.....	29
Article 17. INTERNAL CONTROL.....	30
Article 18. THE BANK’S ACCOUNTING AND REPORTING. KEEPING OF DOCUMENTS ..	36
Article 19. BANK’S REORGANISATION AND LIQUIDATION.....	37
Article 20. AMENDING THE BANK’S CHARTER.....	38

## **Article 1. GENERAL PROVISIONS**

1.1. CREDIT BANK OF MOSCOW (public joint-stock company) CREDIT BANK OF MOSCOW, hereinafter referred to as “the Bank”, is a credit organisation.

The Bank was created by resolution of the founders’ meeting dated 23.06.1992 (minutes No. 3) under the name of Commercial Bank “Credit Bank of Moscow”.

By resolution of the Shareholders’ Meeting dated 02.04.1993 (minutes No. 10), the Bank was renamed Joint-Stock Commercial Bank “Credit Bank of Moscow”.

By resolution of the General Shareholders’ Meeting dated 15.09.1994 and 25.01.1995 (minutes No. 1/15 and No. 2), the Bank was reorganised by way of transformation into a limited liability company under the name of Commercial Bank “Credit Bank of Moscow” (Limited Liability Company) that succeeded thereto in respect of all liabilities owed to all of its creditors and by all of its debtors, including any contested liabilities.

By resolution of the General Members’ Meeting dated 27.08.1998 (minutes No. 11), its full name was restyled as COMMERCIAL BANK “CREDIT BANK OF MOSCOW” (Limited Liability Company) and an abbreviated name, CB “CREDIT BANK OF MOSCOW” LLC, was defined.

By resolution of the General Meeting dated 20.04.1999 (minutes No. 6), the Bank was reorganised by way of transformation into an open joint-stock company under the names of CREDIT BANK OF MOSCOW (open joint-stock company) CREDIT BANK OF MOSCOW that succeeded thereto in respect of all liabilities owed to all of its creditors and by all of its debtors, including any contested liabilities.

By resolution of the extraordinary General Shareholders’ Meeting dated 03.03.2016 (minutes No. 01), the Bank’s full corporate and abbreviated corporate names were brought in line with requirements of Russian laws and changed to CREDIT BANK OF MOSCOW (public joint-stock company), CREDIT BANK OF MOSCOW.

By resolution of the General Shareholders’ Meeting dated 09 July 2021 (Minutes No. 02 dated 13 July 2021) and by resolution of the sole member of Commercial Bank “KOLTSO URALA” Limited Liability Company dated 13 July 2021 (Resolution No. 8 dated 13 July 2021), the Bank was reorganised by way of the latter’s accession to it.

The Bank succeeded to all rights and obligations of Commercial Bank “KOLTSO URALA” Limited Liability Company in respect of all its creditors and debtors, including any repudiated or contested obligations, or those undiscovered at the time of reorganisation.

By resolution of the General Shareholders’ Meeting dated 28 August 2023 (Minutes No. 03 dated 28 August 2023) and by resolution of the sole shareholder of Non-banking credit organization "INKAKHRAN" (joint-stock company) dated 28 August 2023 (the unnumbered resolution dated 28 August 2023) the Bank was reorganised by way of the latter’s accession to it.

The Bank succeeded to all rights and obligations of Non-banking credit organization "INKAKHRAN" (joint-stock company) in respect of all its creditors and debtors, including any repudiated or contested obligations, or those undiscovered at the time of reorganisation.

1.2. The Bank’s full corporate name in Russian is “МОСКОВСКИЙ КРЕДИТНЫЙ БАНК” (публичное акционерное общество).

1.3. The Bank’s abbreviated corporate name in Russian is ПАО “МОСКОВСКИЙ КРЕДИТНЫЙ БАНК”.

1.4. The Bank’s full corporate name in English is CREDIT BANK OF MOSCOW (public joint-stock company).

1.5. The Bank’s abbreviated corporate name in English is CREDIT BANK OF MOSCOW.

1.6. The Bank shall have an exclusive right to use its corporate names.

1.7. The Bank shall have a round seal quoting the Bank’s Russian full corporate name, the Bank’s registered address and details of the Bank’s registration by the Bank of Russia and inclusion in the Unified State Register of Legal Entities, stamps and letterheads with its full corporate name, its own logo, its registered trade mark and other means of identification necessary for the Bank’s operations.

1.8. The Bank is a legal entity that has, and discharges its obligations out of, its own separate property, may, on its own behalf, acquire and exercise any civil-law rights and assume civil-law obligations, sue and be sued.

1.9. The Bank is deemed incorporated upon its state registration under federal laws.

1.10. The Bank's shareholders may be legal entities and/or individuals.

1.11. The Bank's obligations may be enforced against all its property. Any shareholders may dispose of their shares without consent of any other shareholders or the Bank.

The Bank shall not be liable for any obligations of its shareholders. The Bank shall not be liable for any obligations of the state. The state shall not be liable for any obligations of the Bank, unless the state has assumed any such obligations.

The Bank shall not be liable for any obligations of the Bank of Russia. The Bank of Russia shall not be liable for any obligations of the Bank, unless the Bank of Russia has assumed any such obligations.

No legislative, executive or local authorities may interfere with the Bank's activities except as stipulated by federal laws.

1.12. The Bank may participate independently or jointly with any other legal entities or individuals in any other commercial or non-commercial organisations and their associations, bank groups and bank holding companies in and outside the Russian Federation under the laws of the Russian Federation and the respective foreign country.

The Bank may be the parent credit institution of a banking group and exercise strategic, corporate and risk management at the level of such banking group and its individual members under Russian law, this Charter and the Bank's bylaws.

1.13. The Bank may set up subsidiaries and representative offices in and outside the Russian Federation under the laws of the Russian Federation or foreign countries where they are located.

The Bank may grant its subsidiaries and representative offices any rights provided for by this Charter without conferring them the rights of a legal entity.

1.14. The Bank is formed for an indefinite term of operation and shall carry out its activity under licenses issued by the Bank of Russia.

## **Article 2. THE BANK'S REGISTERED OFFICE AND ADDRESS**

2.1. The Bank's corporate seat is in Moscow.

2.2. The Bank's address is 2 (bldg. 1), Lukov Pereulok, Moscow, 107045.

## **Article 3. BANKING OPERATIONS AND OTHER TRANSACTIONS**

3.1. The Bank may perform the following banking operations:

3.1.1 To take corporate and private monetary deposits (demand and time);

3.1.2 To invest funds mentioned in cl. 3.1.1. hereof on its behalf and for its own account;

3.1.3 To open and maintain corporate and private bank accounts;

3.1.4 To make money transfers as instructed by individuals and legal entities, including correspondent banks, through their accounts.

3.1.5 To collect cash, promissory notes, payment and settlement instruments and to render cash management services to individuals and legal entities;

3.1.6 To purchase and sell foreign currency in physical or book-entry form;

3.1.7 To take corporate and private precious metals deposits (demand and time), other than precious metal coins.

3.1.8 To invest precious metals mentioned in cl. 3.1.7 hereof on its behalf and for its own account.

3.1.9 To open and maintain corporate and private bank accounts in precious metals, other than precious metal coins.

3.1.10 To make transfers as instructed by individuals and legal entities, including correspondent banks, through their precious metal accounts.

3.1.11 To make non-account fund transfers including electronic fund transfers (except postal transfers).

3.2. In addition to the banking operations set out in cl. 3.1 hereof, the Bank may make the following transactions:

3.2.1 To issue surety bonds for payment claims to any third parties.

3.2.2 To acquire payment claims to any third parties.

3.2.3 To carry out trust management of monies and any other property under contracts with individuals or legal entities.

3.2.4 To deal with precious metals, precious metal coins and treated natural diamonds in compliance with Russian laws.

3.2.5 To lease special premises or vaults therein to individuals and legal entities for storage of documents and valuables.

3.2.6 To make leasing transactions.

3.2.7 To render consulting and information services.

3.2.8 To issue bank guarantees.

3.3. The Bank may make any other transactions under Russian laws.

All the banking operations and transactions listed in cl. 3.1 and 3.2 hereof shall be made in roubles and, subject to a relevant license issued by the Bank of Russia, in foreign currency. Rules for banking operations, including rules for their material and technical support, are established by the Bank of Russia under federal laws. Banking operations and other transactions with precious metals shall be made with gold, silver, platinum or palladium in refined bars and/or in precious metal bank accounts, or with precious metal coins.

The Bank shall open a correspondent account with the Bank of Russia's agency to make transactions and deposit monies. The Bank may open correspondent accounts with any other banks.

3.4. Under the banking license of the Bank of Russia, the Bank may issue, purchase, sell, register, deposit and perform any other transactions with securities having the effect of payment instruments, securities evidencing attraction of monies into deposits and bank accounts, and any other securities dealing in which does not require a special license under the federal legislation, and carry out trust management of such securities under contracts with individuals and legal entities.

The Bank may perform professional activities in the stock market under federal laws.

3.5. The Bank may not carry out any industrial, trading or insurance activities. Such restriction does not apply to the making of agreements constituting derivative financial instruments and requiring one party thereto to either deliver a commodity to the other party or, subject to the terms defined therein and if the other party so demands, buy or sell a commodity, if the obligation to deliver is discharged without in-kind performance, or the making of agreements in the capacity of a central counterparty or an operator of commodity deliveries under the Federal Law "On Clearing, Clearing Business and Central Counterparty". Neither does such restriction apply to sale of any property acquired by the Bank by way of procurement or in the event described in article 7, part 2.10 of the Federal Law "On Consumer Loans", or foreclosed by it for non-performance of secured obligations or assigned to it in lieu of repayment. Neither does such restriction apply to purchase/sale of precious metals, in coins or otherwise, as specified in clause 3.3, paragraph 2 hereof, and purchase/sale of treated natural diamonds.

Non-account money transfers, other than electronic cash transfers, may only be made at request of individuals.

3.6. The Bank may act as certificate authority under the Federal Law "On Digital Signature".

#### **Article 4. SECURING CUSTOMERS' INTERESTS**

4.1. The Bank shall keep secure any money or other valuables entrusted to it by its customers and correspondents. Security of any such money and other valuables shall be guaranteed by all the movable and immovable property of the Bank, its monetary funds and provisions (including securities devaluation provisions) formed under Russian laws in a manner of

provisioning stipulated by the Bank of Russia, and by the Bank's participation in the deposit insurance system as provided for by Russian laws and regulations of the Bank of Russia. The Bank shall take any other measures for maintaining its financial stability and liquidity as required by the Bank of Russia.

4.2. The Bank shall always be in a position to timely and fully meet its obligations by maintaining the structure of its balance sheet in conformity with the mandatory ratios established by the Bank of Russia.

4.3. The Bank shall deposit, pursuant to Russian laws and as required by the Bank of Russia, a part of the borrowed funds to the obligatory reserves with the Bank of Russia and form loss provisions in compliance with rules and ratios of the Bank of Russia.

4.4. Money and other valuables of legal entities and individuals on their accounts and deposits or in custody with the Bank and electronic cash balance may be subject to an attachment or execution only as stipulated by federal laws.

4.5. The Bank shall guarantee secrecy of any transactions, accounts and deposits of its customers and correspondents.

All officers and employees of the Bank must keep secrecy of its customers' and correspondents' transactions, accounts and deposits, and other information designated by it, unless otherwise required by federal laws.

4.6. Statements of transactions and accounts of legal entities, sole proprietors and individuals shall be issued by the Bank in such manner and within such time as set out by Russian laws. The Bank and its employees shall be liable for any disclosure of banking secrets, including by way of indemnity, as set forth by federal laws.

4.7. Transactions, accounts and deposits of legal entities, sole proprietors and individuals shall be reported by the Bank to the financial intelligence unit where, as and to the extent required by the Federal Law "On Anti-Money Laundering and Combating Financing of Terrorism".

4.8. Any transactions of legal entities, sole proprietors and individuals may be reported by the Bank to credit bureaux for compiling credit histories in the manner and on the terms set out in agreements made therewith under the Federal Law "On Credit Histories".

4.9. Any documents or information containing banking secrets of legal entities, sole proprietors or individuals may be provided by the Bank to authorised governmental bodies or organisations in accordance with the Federal Law "On Banks and Banking Activities".

4.10. The list of information treated as commercial secret of the Bank shall be determined by the Management Board as required by Russian laws.

4.11. Any information created, acquired and accumulated in the course of the Bank's activities, as well as any other information kept in the Bank on paper, magnetic and any other carriers and classified by the Management Board as a commercial secret may not be sold, transferred, copied, reproduced, exchanged or otherwise disseminated or replicated without the consent of the Management Board or officers authorised by the Management Board.

The Bank's commercial secrecy policy and liability for violation thereof shall be determined by the Management Board.

4.12. Where so provided for by Russian laws, the Bank shall notify its creditors (including foreign ones) by publishing an announcement in mass media and posting the same where accessible to them in its head office and all its subdivisions.

## **Article 5. CHARTER CAPITAL. PROPERTY**

5.1. The Bank's charter capital shall be formed in the amount of 33,429,709,866 (thirty-three billion four hundred twenty-nine million seven hundred nine thousand eight hundred and sixty-six) roubles and divided into 33,429,709,866 (thirty-three billion four hundred twenty-nine million seven hundred nine thousand eight hundred and sixty-six) ordinary shares with a par value of 1 (one) rouble each.

The Bank's charter capital is constituted by the par value of the Bank's shares acquired by shareholders.

5.2. No borrowed funds may be used to form the Bank's charter capital. No increase in the Bank's charter capital may be paid by setting off any claims to the Bank, other than those for declared dividends payable in cash.

The federal budget or governmental off-budget funds, cash or other property at the disposal of federal authorities may not be used to form the Bank's charter capital, except as provided for by federal laws.

Budget funds of any constituent entity of the Russian Federation, local budget funds, cash or other property at the disposal of state authorities of such constituent entity or local authorities may be used to form the Bank's charter capital under a statutory act of such constituent entity or resolution of such local authorities as provided for by federal laws.

5.3. The Bank's charter capital may be increased by raising the par value of shares or by placing additional shares.

A resolution to increase the Bank's charter capital by raising the par value of the shares shall be passed at the General Shareholders' Meeting by a majority of the votes of the voting shareholders participating therein.

A resolution to increase the Bank's charter capital by public placement of additional shares falling within the number and classes (types) of the authorised shares and not exceeding 25 (twenty-five) percent of the previously placed ordinary shares shall be passed by the Supervisory Board with all its non-retired members voting unanimously.

Any resolution to increase the Bank's charter capital by public placement of additional ordinary shares in excess of 25 (twenty-five) percent of the previously placed ordinary shares may only be passed at the General Shareholders' Meeting by a majority of at least three quarters of the votes of the voting shareholders participating therein.

A resolution to increase the Bank's charter capital by private placement of additional shares shall only be passed at the General Shareholders' Meeting by a majority of at least three quarters of the votes of the voting shareholders participating therein, unless a greater majority is required therefor by the Federal Law "On Joint-Stock Companies".

Any additional shares may only be placed by the Bank within the number of the authorised shares set out herein.

A resolution to increase the Bank's charter capital by placing additional shares may be passed at the General Shareholders' Meeting concurrently with a resolution adding authorised shares provisions hereto as may be required for such resolution to be passed under the Federal Law "On Joint-Stock Companies" or amending any such existing provisions.

Any resolution to increase the Bank's charter capital by placing additional shares shall specify the number of additional ordinary and preferred shares of each type to be placed within the number of the authorised shares of this class (type); the manner of placement; the price of any additional shares to be placed by subscription or its determination procedure (in particular for the exercise of any pre-emptive rights to acquire additional shares), or the statement that such price or a procedure for determination thereof shall be set by the Supervisory Board not later than the share placement starts; the mode of payment for the additional shares to be placed by subscription. A resolution on increasing the Bank's charter capital by placing additional shares may contain any other terms of their placement.

An increase of the Bank's charter capital by placing additional shares may be made out of the Bank's property. Any increase of the Bank's charter capital by raising the par value of the shares shall only be made out of the Bank's property.

The Bank's charter capital may only be increased out of its property to the extent of any difference between the Bank's equity (capital) and the total of its charter capital and reserve fund.

In case of increasing the Bank's charter capital out of its property by placing additional shares, such shares shall be distributed among all shareholders, each to be distributed shares of the class (type) of, and *pro rata* to the number of, the shares held by such shareholder. The Bank's

charter capital may not be increased out of its property by placing additional shares in a way resulting in fractional shares.

In case of increasing the Bank's charter capital by placing additional shares, the Bank's charter capital shall be increased by the total of par value of the Bank's additional shares placed, and the number of authorised shares of certain classes (types) shall be decreased by the number of the additional shares of the same classes (types) placed.

5.4. The Bank's charter capital may be reduced by decreasing the par value of shares or by decreasing their total number, in particular by redeeming any shares acquired or repurchased by the Bank in compliance with Russian laws.

A resolution to reduce the Bank's charter capital by decreasing the par value of its shares or by redeeming any shares acquired or repurchased by it shall be passed at the General Shareholders' Meeting, only if proposed by the Supervisory Board, by at least a three-quarter majority of the votes of the shareholders participating therein and holding voting shares.

Any resolution to reduce the Bank's charter capital by acquiring its shares for the purpose of decreasing their total number shall be passed at the General Shareholders' Meeting by a majority of the votes of the shareholders participating therein and holding voting shares.

The Bank shall, within 3 (three) business days of making a resolution to reduce its charter capital, notify the same to the authority responsible for state registration of legal entities and publish twice, at a one month's interval, a notice thereof in mass media covering state registration of legal entities.

Any resolution to reduce the charter capital must specify:

- the amount of such reduction;
- the categories (classes) of shares whose par value is to be reduced and the amount by which the par value of each such share is to be reduced;
- the par value of one share of each category (class) after the reduction;
- the amount of cash to be paid, and/or the number, type and category (class) of emission securities to be transferred, to the Bank's shareholders upon the reduction of the shares' par value.

Any notice of reduction of the charter capital shall specify:

- the Bank's full and abbreviated names, and registered address;
- the Bank's charter capital and the amount by which it is reduced;
- the way, procedure and conditions of such reduction;
- how, and on what terms, the Bank's creditors may raise any claims referred to in paragraph 14 of this clause, specifying the address (registered address) of the Bank's continuing executive body, additional addresses at which such claims may be raised, and the Bank's contact details (telephone and fax numbers, email address and other details).

Any of the Bank's creditors whose claims pre-date the publication of a notice of reduction of the Bank's charter capital may, within 30 (thirty) days of the last publication thereof, demand that the Bank perform the same before term or, where it cannot be so performed, terminate the same and reimburse any related losses. The prescriptive period for any such claim is 6 (six) months of the last publication of the relevant notice of reduction of the Bank's charter capital

The General Shareholders' Meeting shall pass a resolution reducing the charter capital by redeeming shares as required by Russian laws, if such shares have been acquired or bought back by resolution of the Bank's competent body and have not been sold within one year thereof or, where article 72.1. of the Federal Law "On Joint-Stock Companies" applies, within three months of expiry of the relevant buyback programme.

5.5. If the Bank's equity falls below its charter capital as at the end of a reporting month, the Bank shall adjust the charter capital to its equity.

## **Article 6. SHARES AND OTHER EMISSION SECURITIES OF THE BANK**

6.1. The shares shall be issued in an uncertificated form.



6.2. The Bank's shareholders have acquired 33,429,709,866 (thirty-three billion four hundred twenty-nine million seven hundred nine thousand eight hundred and sixty-six) ordinary shares in it (placed shares) of 1 (one) rouble par value each, totalling 33,429,709,866 (thirty-three billion four hundred twenty-nine million seven hundred nine thousand eight hundred and sixty-six) roubles.

6.3. In addition to the placed shares, the Bank may place 166,570,290,134 (one hundred sixty-six billion five hundred seventy million two hundred ninety thousand one hundred and thirty-four) authorised ordinary shares of 1 (one) rouble par value each, totalling 166,570,290,134 (one hundred sixty-six billion five hundred seventy million two hundred ninety thousand one hundred and thirty-four) roubles.

6.4. The Bank may issue bonds, including structured bonds, and any other emission securities in compliance with Russian laws.

6.5. The Bank shall place shares and other emission securities in compliance with Russian laws.

6.6. The Bank may place additional shares and other emission securities by way of subscription and conversion.

6.7. The Bank may place additional shares and any other emission securities convertible to shares by way of an open or closed subscription.

6.8. Any placement of the Bank's additional shares by subscription must be completed within 1 (one) year of state registration of their issue (additional issue).

6.9. Any additional shares or other emission securities of the Bank to be placed by subscription shall be placed subject to full payment thereof.

6.10. The form of payment of the Bank's additional shares shall be set out in the resolution on their placement. Any other emission securities may only be paid in cash.

6.11. The Bank's additional shares placed by subscription shall be paid at a price set by the Supervisory Board based on their market value, but not less than their par value.

The placement price of any additional shares to be placed by subscription or its determination procedure must be set out in the resolution on increasing the Bank's charter capital by placing additional shares, unless such resolution states that such price or its determination procedure shall be set by the Supervisory Board.

6.12. For the Bank's shareholders exercising their right of first refusal to acquire shares, the price of additional shares may be set lower than for any other persons, but not more than by 10 (ten) percent.

6.13. For any additional shares to be paid in kind, monetary valuation of the property offered for paying the shares shall be made by the Supervisory Board based on their market value according to Russian laws.

6.14. For any shares to be paid in kind, an independent appraiser shall be engaged to determine the market value of the property offered for paying the shares. Monetary valuation of the property by the Supervisory Board may not exceed that by the independent appraiser.

6.15. The Bank may acquire its own shares in accordance with Russian laws. A resolution to acquire the Bank's own shares shall be passed by the Supervisory Board. The Bank's treasury shares shall grant no voting right, be disregarded in any vote count, be considered out of circulation for the purposes of the Federal Law "On Joint-Stock Companies", and be ex-dividend. Such shares must be sold at their market price or higher within the period set forth by the Federal Law "On Joint-Stock Companies". If not, the General Shareholders' Meeting must, as soon as reasonably possible, pass a resolution reducing the Bank's charter capital by redemption of the said shares in due manner.

6.16. The Bank may not place any bonds or other emission securities convertible into the Bank's shares, if the number of the Bank's authorised shares of certain classes and types is less than the number of shares of these classes and types that may be acquired through such securities.

6.17. Bonds and other emission securities may be placed under a resolution of the Supervisory Board, except as stipulated by Russian laws and this Charter.

6.18. Any private placement of the Bank's emission securities convertible into shares may only be made pursuant to a relevant resolution of the General Shareholders' Meeting passed by at least three quarters of the votes of the participating shareholders who hold voting shares, unless a greater majority is required therefor by the Federal Law "On Joint-Stock Companies".

6.19. Any public placement of the Bank's common stock convertible emission securities convertible into ordinary shares exceeding 25 (twenty-five) percent of the ordinary shares placed theretofore, may only be made under a resolution of the General Shareholders' Meeting passed by a majority of not less than three quarters of the votes of the shareholders who hold voting shares and take part in the General Shareholders' Meeting.

## **Article 7. RIGHTS OF THE BANK'S SHAREHOLDERS**

7.1. Each ordinary share of the Bank shall equally entitle its holder.

7.2. Ordinary shareholders shall be entitled to:

- participate in the General Shareholders' Meeting with a voting right with respect to any matters within its competence (take part in managing the Bank's affairs);
- receive dividends (participate in distribution of the Bank's profits);
- receive a portion, or proportionate value, of the Bank's property remaining after settlements with its creditors upon liquidation;
- where and as provided for by Russian laws and this Charter, obtain information about the Bank's operations and inspect its accounting and other information;
- where and as provided for by Russian laws, contest any resolutions of the Bank's bodies entailing civil law consequences;
- claim indemnity on behalf of the Bank for any losses caused to the Bank;
- where and as provided for by Russian laws, contest, on behalf of the Bank, any of its transactions for reasons provided for by Russian laws, and demand that any invalid or void transactions be unwound;
- require to provide access to the Bank's documents where and as provided for by Russian laws.
- other rights granted to the Bank's shareholders by Russian laws and this Charter.

7.3. Any voting shareholders may demand that the Bank buy back all or any part of the shares held by them in the following cases:

- the General Shareholders' Meeting decides to reorganise the Bank or consents to or approves subsequently any major transaction (which may at the same time be an interested party transaction) in respect of property whose value exceeds 50 (fifty) percent of the book value of the Bank's assets as per its most recent accounting (financial) statements, if they voted against such decision, consent or approval or did not participate in the voting;
- the Bank's Charter is amended (the Bank's General Shareholders' Meeting makes a resolution causing the Bank's Charter to be amended) or approved in a new version so that their rights become limited, if they voted against such resolution or did not participate in the voting;
- the General Shareholders' Meeting makes a resolution on any items provided for in article 7.2, clause 3 or article 48, clause 1, sub-clause 19.2 of the Federal Law "On Joint-Stock Companies", if they voted against such resolution or did not participate in the voting.
- other cases stipulated by Russian laws.

The Bank shall inform its shareholders of their entitlement to require that their shares be bought back, and of the buyback price and procedure.

7.4. The Bank's shareholders have a pre-emptive right to acquire any publicly placed 1) additional shares or emission securities convertible into shares *pro rata* to the number of its shares of this class (type) held by them; 2) additional shares of a new category (class) or related convertibles, or additional preferred shares with dividend priority or related convertibles *pro rata* to the number of its shares held by them.

The Bank's shareholders who voted against, or did not vote on, a private placement of shares or convertibles have a pre-emptive right to acquire any such privately placed: 1) additional shares or convertibles *pro rata* to the number of the Bank's shares of this class (type) held by them 2) additional shares of a new category (class) or related convertibles *pro rata* to the number of the Bank's shares held by them and entitling them to vote on such placement; 3) additional preferred shares with dividend priority and emission securities convertible into them *pro rata* to the number of the Bank's shares held by them and entitling them to vote on such placement. Such right does not apply to any private placement of shares or any emission securities convertible to shares among the shareholders only, provided that the shareholders can acquire a whole number of such shares or convertibles *pro rata* to the number of the shares of the respective class (type) held by them.

7.5. Pre-emptive rights in respect of any additional shares or emission securities convertible into shares accrue to those who were the Bank's shareholders as at the record date for the General Shareholders' Meeting that made, in accordance herewith, the resolution to issue them or, if that resolution is made by the Supervisory Board, on the tenth day thereof or such later date as may be set out therein.

To ensure the exercisability of any such pre-emptive rights, the Bank's registrar shall make a list of persons entitled thereto as required by Russian securities laws for lists of persons exercising securities rights.

Any persons on such list may exercise such pre-emptive right as set out by the Federal Law "On Joint-Stock Companies".

7.6. Any shareholders may dispose their shares in the Bank as provided for by Russian laws without other shareholders' consent.

## **Article 8. THE BANK'S SHAREHOLDER REGISTER**

8.1. Pursuant to the Russian laws, the Bank shall ensure maintenance and keeping of a register of its shareholders upon its state registration as a joint-stock company.

8.2. A lawfully licensed organisation (the "keeper of the register") shall be engaged to keep the register and act as counting commission. The Bank shall not be released from the liability for maintenance and keeping of the register entrusted to the keeper of the register.

8.3. Any registered persons must provide information and documents to the keeper of the register as required by the register keeping rules.

8.4. The keeper of the register must, at request of any shareholder or nominee, confirm their title to shares by issuing an extract from the Bank's shareholder register, which extract is not a security per se.

## **Article 9. THE BANK'S INCOME. DIVIDEND PAYMENT**

9.1. The Bank shall have full economic independence as to distribution of any income determined under Russian laws and disposable by the Bank after payment of all taxes due (net income).

9.2. The net income shall be applied to the reserve fund and any other funds of the Bank, be distributed among the Bank's shareholders as dividends or be applied to any other purposes by resolution of the General Shareholders' Meeting.

9.3. Any income disposable by the Bank by resolution of an annual General Shareholders' Meeting (other than any allocations to the reserve fund) shall be booked on the retained income account.

Retained income may be used for the following purposes:

- to increase the Bank's charter capital;
- to increase the Bank's reserve fund;
- to cover the Bank's losses;
- other purposes under Russian laws.

9.4. Based on results of its operations in the first quarter, half-year, 9 (nine) months of a reporting year and/or results of a reporting year, the Bank may decide to pay (declare) dividends on the outstanding shares. No dividends shall be paid on any shares held on the Bank's books. A decision to pay (declare) dividends for the first quarter, half-year and 9 (nine) months of a reporting year may be taken within 3 (three) months of the end of the respective period.

Any resolution to pay (declare) of dividends shall be passed by the Bank's General Shareholders' Meeting. Any such resolution must specify the amount of dividend for each category (type) of shares, the form of payment and the date as at which the persons entitled thereto shall be determined. The date as at which the persons entitled to dividends shall be determined may only be fixed as proposed by the Supervisory Board. No dividend may exceed the amount recommended by the Supervisory Board.

The record date set by a resolution to pay (declare) dividends may not fall earlier than 10 (ten) days or later than 20 (twenty) days of such resolution.

Dividends must be paid within 25 (twenty-five) business days or, if payable to any nominees or stock market professional participants acting as asset managers registered in the shareholder register, within 10 (ten) business days of the relevant dividend record date.

Dividends shall be paid to the persons who held shares of the relevant category (class) or exercised the rights attached thereto pursuant to federal laws as at the close of business day on the record date set out in the dividend payment resolution.

9.5. Any dividends on the Bank's shares shall be paid in cash.

9.6. The General Shareholders' Meeting may pass a resolution not to pay any dividends.

The Bank may not decide to pay (declare) any dividends in the following cases:

- until its charter capital is fully paid;
- until redemption of all shares to be redeemed from its shareholders as required by Russian laws;
- if the Bank meets on the day of such decision, or would upon payment of dividends meet, the insolvency (bankruptcy) criteria under Russian insolvency (bankruptcy) laws;
- if on the day of such decision the Bank's equity (capital) is, or would upon payment of dividends become, less than its charter capital and reserve fund;
- in any other cases envisaged by federal laws.

The Bank may not pay any declared dividends:

- if it meets on the day of such payment, or would meet upon such payment, the insolvency (bankruptcy) criteria under Russian insolvency (bankruptcy) laws;
- if on the day of such payment the Bank's equity (capital) is, or would upon payment of the dividends become, less than its charter capital and reserve fund;
- in any other cases envisaged by federal laws.

Upon termination of the above mentioned circumstances, the Bank shall pay the declared dividends to the shareholders.

## **Article 10. FUNDS OF THE BANK**

10.1. The Bank shall form a reserve fund pursuant to Russian laws.

The reserve fund of the Bank may be used by resolution of the Supervisory Board for the following purposes:

- to cover losses of the Bank;
- to repay bonds, or to redeem shares, of the Bank (if no other funds are available).

The reserve fund may not be used for any purposes other than those envisaged by the Federal Law "On Joint-Stock Companies".

During any given year, the Bank may only use such part of the reserve fund for the purposes referred to in this clause as was formed out of previous years' income and only upon approval by the General Shareholders' Meeting of allocations of the previous years' income.

The Bank shall form its reserve fund at a ratio of at least 5 (five) percent of its charter capital. Until the required amount of the reserve fund is achieved, the Bank shall allocate at least 5 (five) percent of the annual net income to the said fund.

10.2. The Bank may form other funds under Russian laws. Formation and application of any such funds shall be governed by approved regulations thereon.

## **Article 11. MANAGEMENT OF THE BANK**

11.1. The Bank shall be managed by:

- the General Shareholders' Meeting;
- the Supervisory Board (a collective governing body);
- the Chairman of the Management Board (the sole executive body);
- the Management Board (a collective executive body).

11.2. Members of the Supervisory Board, the Chairman of the Management Board, his deputies (First Deputy Chairmen of the Management Board, Deputy Chairmen of the Management Board) and members of the Management Board shall exercise their rights and perform their duties acting in the Bank's interests in good faith and reasonably. They shall be liable for any losses caused to the Bank by their guilty actions (omission) as stipulated by Russian laws.

11.3. The Chairman of the Management Board, his deputies (First Deputy Chairman of the Management Board, Deputy Chairmen of the Management Board), members of the Management Board, the Chief Accountant and Deputy Chief Accountants, the heads and chief accountants of the Bank's branches may not be the CEO or Chief Accountant in any other credit institutions, foreign banks, insurance or clearing organisations, stock market professional participants, commodity and/or financial market trading facilities, joint-stock investment funds, specialised depositories or asset management companies of investment, mutual or private pension funds, pension arrangement and pension insurance organisations, microfinance companies, leasing companies or any affiliates of the Bank. This does not apply to a foreign bank which is the parent or a subsidiary of the Bank nor to any affiliate which is a non-profit organisation (other than a state corporation).

The Chairman of the Management Board, his deputies (First Deputy Chairman of the Management Board, Deputy Chairmen of the Management Board), members of the Management Board and the Chief Accountant may only hold offices in management bodies of any other entities upon consent of the Supervisory Board.

## **Article 12. GENERAL SHAREHOLDERS' MEETING**

12.1. The supreme authority of the Bank shall be its General Shareholders' Meeting.

12.2. Every year the Bank must hold an annual General Shareholders' Meeting.

Any General Shareholders' Meetings, held other than annually, shall be extraordinary.

12.3. The General Shareholders' Meetings shall be held in Moscow.

### ***Competence of the General Shareholders' Meeting***

12.4. The following matters shall be reserved to the General Shareholders' Meeting:

12.4.1. Amending the Charter of the Bank, except as set forth by the Federal Law "On Joint-Stock Companies", and approving new versions of the Charter of the Bank.

12.4.2. Reorganising the Bank.

12.4.3. Liquidating the Bank, appointing a liquidation committee and approving the interim and final liquidation balance sheets.

12.4.4. Determining the number of, electing and removing before term, members of, and approving the Regulations of, the Supervisory Board.

12.4.5. Determining the number, the par value, the class (type) of, and the rights attached to, the authorised shares of the Bank.

12.4.6. Increasing the charter capital by raising the par value of shares.

12.4.7. Increasing the Bank's charter capital by placing additional shares except as otherwise reserved to the Supervisory Board under Russian laws and this Charter.

12.4.8. Placing privately the Bank's emission securities convertible to shares.

12.4.9. Placing publicly the Bank's emission securities convertible to ordinary shares in excess of 25 (twenty-five) percent of the earlier placed ordinary shares.

12.4.10. Reducing the Bank's charter capital by reducing the par value of shares, taking out a part of its shares to decrease their total number pursuant to Russian laws, and by redeeming any shares taken out or repurchased by the Bank.

12.4.11. Electing, removing before term, determining remunerations and compensations for members of, and approving the Regulation on, the Audit Panel.

12.4.12. Appointing the audit firm of the Bank.

12.4.13. Paying (declaring) dividends for the first quarter, half-year or 9 (nine) months of a reporting year.

12.4.14. Approving the Bank's annual report and annual accounting (financial) statements.

12.4.15. Allocating the income (in particular paying (declaring) dividends other than for the first quarter, half-year or 9 (nine) months of a reporting year) or loss of the Bank for a full reporting year.

12.4.16. Setting out regulations for holding General Shareholders' Meetings.

12.4.17. Splitting up or consolidating any shares of the Bank.

12.4.18. Consenting to or approving subsequently any interested party transactions where so required by Russian laws.

12.4.19. Consenting to or approving subsequently any major transactions where so required by Russian laws.

12.4.20. Buying back any placed shares of the Bank where so provided by the Federal Law "On Joint-Stock Companies".

12.4.21. Deciding on the Bank's participation in any financial and industrial groups, associations and other unions of business companies.

12.4.22. Approving bylaws for the Bank's bodies.

12.4.23. Resolving to apply for delisting of the Bank's shares and/or emission securities convertible therein.

12.4.24. Resolving any other matters set forth by the Federal Law "On Joint-Stock Companies".

12.5. Any matters reserved to the General Shareholders' Meeting may not be referred to any executive bodies of the Bank or the Supervisory Board, except as provided for by the Federal Law "On Joint-Stock Companies".

12.6. The General Shareholders' Meeting may not review or resolve any matters beyond its competence under the Federal Law "On Joint-Stock Companies".

12.7. Any resolution on the matters set out in cl. 12.4.1-12.4.3, 12.4.5, 12.4.7-12.4.9, 12.4.19, 12.4.20 and 12.4.23 hereof shall be passed by the General Shareholders' Meeting by a majority of not less than three quarters of the votes of the voting shareholders participating therein.

Any resolution on the matter set out in cl. 12.4.23 hereof which results in the delisting of all its shares and convertible emission securities shall be passed by the General Shareholders' Meeting by a majority of 95 (ninety-five) percent of votes of all holders of the Bank's shares of all categories (classes).

Any resolution on any other matters set out in cl. 12.4 hereof shall be passed by a simple majority of the votes of the voting shareholders participating in the General Shareholders' Meeting unless otherwise stipulated by the Federal Law "On Joint-Stock Companies".

Each issue put to vote shall be decided separately.

12.8. Any resolution on the matters set out in cl. 12.4.2, 12.4.6-12.4.7, 12.4.10 and 12.4.17-12.4.22 hereof shall only be passed by the General Shareholders' Meeting if proposed by the Supervisory Board.

### Provisions for Arranging General Shareholders' Meetings

12.9. Each annual General Shareholders' Meeting shall be convened and held by the Supervisory Board not earlier than 2 (two) months and not later than 6 (six) months after the end of a reporting year.

Each annual General Shareholders' Meeting shall elect the Supervisory Board and the Audit Panel, appoint the audit firm of the Bank, decide on matters set forth in cl. 12.4.14.-12.4.15 hereof and may decide on any other matters reserved to the General Shareholders' Meeting.

12.10. The list of persons entitled to participate in a General Shareholders' Meeting shall be made as required by Russian securities laws for lists of persons exercising securities rights.

12.11. The record date for participation in a General Shareholders' Meeting may not fall earlier than 10 (ten) days of the date it is called or 25 (twenty-five) days before the date it is to be held.

The record date for participation in an extraordinary General Shareholders' Meeting whose proposed agenda includes election of Supervisory Board members or reorganisation of the Bank by way of merger, spin-off or demerger and election of the board of directors (supervisory board) of the company created thereby, may not fall earlier than 10 (ten) days of the date it is decided to call such meeting or 55 (fifty-five) days before the date it is to be held.

The record date for participation in a General Shareholders' Meeting whose agenda includes reorganisation of the Bank may not fall earlier than 35 (thirty-five) days before it is to be held.

The form, agenda, date, place and time of a General Shareholders' Meeting or, if held by absentee voting, the last day by which and the mailing address to which the completed voting ballots should be sent, voting ballots' form and wordings where applicable, the record date for participation therein, the last day of accepting shareholders' nominations to the Supervisory Board (where applicable), the procedure for notifying persons entitled to participate therein, and the list of information (materials) to be delivered to them prior thereto shall be determined by the Supervisory Board in accordance with Russian laws.

12.12. Any persons entitled to participate in a General Shareholders' Meeting may review all necessary information (materials) prepared therefor at the Bank's premises and other locations at addresses stated in the notice thereof within 20 (twenty) days or, if the Bank's reorganisation is on the agenda, within 30 (thirty) days, or on its website at <http://www.mkb.ru>.

12.13. The Bank notifies the persons entitled to participate in a General Shareholders' Meeting and named in the shareholder register about calling thereof in writing by registered mail, by personal delivery of notices to their authorised representatives with signed acknowledgement or by posting an announcement on its website at <http://www.mkb.ru> at least 21 (twenty-one) days or, if the Bank's reorganisation is on the agenda, 30 (thirty) days before the date thereof.

If the agenda of an extraordinary General Shareholders' Meeting includes election of Supervisory Board members or reorganisation of the Bank by way of merger, spin-off or demerger and election of the board of directors (supervisory board) of the company created thereby, the Bank notifies the persons entitled to participate therein and named in the shareholder register about calling thereof at least 50 (fifty) days before the date thereof.

A ballot shall be sent by registered mail or delivered with signed acknowledgment to each of the persons named in the shareholder register and entitled to participate in the relevant General Shareholders' Meeting at least 20 (twenty) days before the date thereof. The Bank may send ballots with the notice of a General Shareholders' Meeting.

If a nominee is named in the Bank's shareholder register, the notice of a General Shareholders' Meeting, information (materials) and ballots deliverable in contemplation thereof to persons entitled to participate therein shall be provided in line with rules set forth by Russian securities laws for provision of information and materials to persons exercising securities rights.

12.14. Any shareholder(s) aggregating at least 2 (two) percent of the voting shares of the Bank may, within 30 (thirty) days of the end of a reporting year of the Bank, propose issues for the agenda of the annual General Shareholders' Meeting and nominate candidates to the Supervisory

Board and Audit Panel, such candidates not to exceed in number the membership of the respective authority.

If the proposed agenda of an extraordinary General Shareholders' Meeting includes election of members of the Supervisory Board, any shareholder(s) aggregating at least 2 (two) percent of the voting shares of the Bank may nominate candidates thereto, such candidates not to exceed in number the membership thereof. Any such proposals must be delivered to the Bank at least 30 (thirty) days before the date the extraordinary General Shareholders' Meeting.

Any proposals as to agenda items for a General Shareholders' Meeting or as to nominations shall specify the name(s), the number and class (type) of the shares owned by, and shall be signed by, the relevant shareholder(s) or their representatives. The Bank's shareholder(s) not named in its shareholder register may also propose agenda items or nominations for a General Shareholders' Meeting by giving relevant instructions to the person recording their titles to shares. Such instructions shall be given in accordance with rules of Russian securities laws. Such proposals shall contain any other details required by Russian laws.

12.15. The Supervisory Board shall be obligated to review any such proposals and to decide whether to include them in the agenda of the General Shareholders' Meeting or reject them, within the terms specified by the Federal Law "On Joint-Stock Companies".

Any such proposal submitted in non-compliance with the terms and/or other requirements stipulated by the Federal Law "On Joint-Stock Companies" shall not be accepted by the Supervisory Board.

Any motivated refusal by the Supervisory Board to add an item proposed by any shareholder(s) to the agenda of a General Shareholders' Meeting or add a candidate to the voting list for elections to the relevant body of the Bank shall be notified to such shareholder(s) within 3 (three) days of such refusal.

Such refusal shall be notified to the proposing persons who are not named in the Bank's shareholder register and gave instructions to the person recording their titles to shares within 3 (three) days thereof in accordance with the rules of Russian securities laws for provision of information and materials to persons exercising securities rights.

12.16. Any refusal or omission by the Supervisory Board to include any proposed item in the agenda of a General Shareholders' Meeting or admit a candidate to elections to the Bank's bodies may be protested in courts of law by the shareholder concerned.

12.17. The Supervisory Board may not modify the wording of the issues on the agenda of a General Shareholders' Meeting and in the wording of any resolutions thereon.

In addition to any agenda items proposed for any General Shareholders' Meeting, or candidates nominated to any body, by shareholders, the Supervisory Board may at its discretion include items in the agenda of the General Shareholders' Meeting and/or candidates in the list of candidates to the relevant body. Candidates proposed by the Supervisory Board may not exceed in number the relevant body's membership.

12.18. Any shareholder of the Bank may vote in person or by proxy subject to a power of attorney being executed as required by Russian laws. One proxy may act under powers of attorney from different shareholders.

Any shareholder may at any time replace the relevant proxy at, or participate in person in, any General Shareholders' Meeting.

12.19. A General Shareholders' Meeting shall be valid (quorate), if attended by shareholders holding more than a half of the votes attached to the Bank's placed voting shares.

A General Shareholders' Meeting shall be deemed attended by any shareholders who have registered to participate therein and any shareholders whose ballots were received at least 2 (two) days before its date. A General Shareholders' Meeting held by absentee voting shall be deemed attended by any shareholders whose ballots were received before the last day for receipt of ballots fixed pursuant to Russian laws.

A General Shareholders' Meeting shall also be deemed attended by any shareholders who, under rules of Russian securities laws, gave voting instructions to the persons recording their titles



to shares, if their will is made known at least 2 (two) days before the date it is held or, if held by absentee voting, the last day for receipt of ballots.

12.20. Issues on the agenda of any General Shareholders' Meeting shall be voted based on "one voting share, one vote" principle, except for cumulative voting as provided for by Russian laws.

Counting of the votes cast with respect to each voted issue of the agenda of any General Shareholders' Meeting shall be made aggregately for all voting shares.

12.21. Voting by ballots shall also be deemed to occur when the Bank's registrar is notified of the will expressed by any persons entitled to participate in a General Shareholders' Meeting who are not named in the Bank's shareholder register and gave, as required by Russian securities laws, voting instructions to the persons recording their titles to shares.

12.22. Any resolutions passed by, and results of any vote on the items of the agenda of, any General Shareholders' Meeting may be announced thereat and shall be notified to those included in the list of persons entitled to participate therein in the form of a vote count report in the manner provided for giving notice of General Shareholders' Meetings, within 4 (four) business days of closing thereof or, if it was held by absentee voting, the deadline for submitting ballots.

Minutes of any General Shareholders' Meeting shall be made within 3 (three) business days of closing thereof in two counterparts. Both counterparts shall be signed by the Chairman of the General Shareholders' Meeting and the secretary of the General Shareholders' Meeting, and shall be certified by the Bank's seal. Minutes of the General Shareholders' Meetings shall be posted on the Bank's website at: <http://www.mkb.ru>.

12.23. If a nominee is named in the Bank's shareholder register as at the record date for participation in a General Shareholders' Meeting, the vote count report shall be brought to notice of such nominee in line with rules set forth by Russian securities laws for provision of information and materials to persons exercising securities rights.

12.24. Any shareholder whose rights and/or lawful interests are affected by a resolution of a General Shareholders' Meeting taken in a way non-compliant with the Federal Law "On Joint-Stock Companies", other statutes of the Russian Federation, and this Charter and who did not participate therein or voted against such resolution may contest it in a court. Such contestation may be filed within 3 (three) months of the day such shareholder became or should have become aware of such resolution.

12.25. Any resolutions on the items of agenda of any General Shareholders' Meeting, other than electing members to the Supervisory Board or Audit Panel, appointing the Bank's external audit firm, approving its annual report and annual accounting (financial) statements, and distributing any income (including paying (declaring) dividends other than any income distributed as dividends for the first quarter, half-year or 9 (nine) months of a reporting year) or loss of the Bank for a reporting year, may be passed by absentee voting (by poll) without holding any meeting (i.e. co-presence of shareholders to discuss issues of agenda and to pass resolutions on any issues put to vote).

12.26. Any resolution of a General Shareholders' Meeting passed by absentee voting (by poll) shall be deemed valid if at least a half of the Bank's voting shares were represented therein.

12.27. The General Shareholders' Meeting's shall be chaired by the Chairman of the Supervisory Board or, if requested by another person under cl. 12.32. hereof, by that person.

If absent or unable to do so, the Chairman of the Supervisory Board may be substituted by any Supervisory Board member chosen by the Supervisory Board.

#### *Procedure for organising an Extraordinary General Shareholders' Meeting*

12.28. Any extraordinary General Shareholders' Meeting shall be held by resolution of the Supervisory Board at its own discretion or on the request of the Audit Panel, the Bank's external audit firm or any shareholder(s) aggregating at least 10 (ten) percent of its voting shares as at the date of such request.

12.29. Any extraordinary General Shareholders' Meeting requested by the Audit Panel, the audit firm of the Bank or any shareholder(s) aggregating at least 10 (ten) percent of the voting shares of the Bank must be held within 40 (forty) days of such request. If the proposed agenda of the extraordinary General Shareholders' Meeting includes election to the Supervisory Board, such Bank's General Shareholders' Meeting must be held within 75 (seventy-five) days of such request.

12.30. Any Supervisory Board resolution to call, or motivated refusal to call, an extraordinary General Shareholders' Meeting shall be delivered to the persons requesting it within 3 (three) days of such resolution. Such resolution shall be notified to the proposing persons who are not named in the Bank's shareholder register and gave instructions to the person recording their titles to shares within 3 (three) days thereof in accordance with the rules of Russian securities laws for provision of information and materials to persons exercising securities rights.

12.31. Where the Federal Law "On Joint-Stock Companies" requires the Supervisory Board to call an extraordinary General Shareholders' Meeting, such General Shareholders' Meeting must be held within 40 (Forty) days of the Supervisory Board's resolution to call it.

Where the Federal Law "On Joint-Stock Companies" requires the Supervisory Board to call an extraordinary General Shareholders' Meeting for election of Supervisory Board members, such General Shareholders' Meeting must be held within 70 (seventy) days of the Supervisory Board's resolution to call it.

12.32. Any omission, within the term set out by the Federal Law "On Joint-Stock Companies", or refusal by the Supervisory Board to call an extraordinary General Shareholders' Meeting may be protested in courts of law by the Bank's bodies or persons requesting the calling thereof.

12.33. Any extraordinary General Shareholders' Meeting requested by another person entitled to do so shall be chaired by that person (or, if a legal entity, its authorised representative).

### **Article 13. SUPERVISORY BOARD**

13.1. The Supervisory Board shall carry out the general governance of the Bank's activities, except the matters reserved to the General Shareholders' Meeting.

13.2. The following matters shall be reserved to the Supervisory Board:

13.2.1. Setting priority activities for the Bank and its banking group, in particular approving, and reviewing the implementation status of, their development strategies, and reviewing the performance appraisal of the Bank's controlled companies.

13.2.2. Calling annual and extraordinary General Shareholders' Meetings in due manner, except as stipulated by the Federal Law "On Joint-Stock Companies".

13.2.3. Approving the agenda of General Shareholders' Meetings.

13.2.4. Setting the record dates for participation in General Shareholders' Meetings, and deciding any other matters reserved to it by the Federal Law "On Joint-Stock Companies" and related to preparation and holding of General Shareholders' Meetings.

13.2.5. Resolving to increase the Bank's charter capital by placing additional shares within the number and classes (types) of the authorised shares as set out by cl. 5.3 hereof.

13.2.6. Resolving (and amending resolutions) to place bonds, whether in multiple issues under a bond programme or otherwise, and other emission securities of the Bank as permitted by Russian laws, including convertible bonds and other convertibles, except where placement of convertible bonds and other convertibles is reserved by this Charter or the Federal Law "On Joint-Stock Companies" to the General Shareholders' Meeting.

13.2.7. Determining the price (monetary value) of property, the placement price, or a procedure for determination thereof, and buy-back price of the Bank's emission securities (including the placement price of any non-convertible bonds) where provided for by Russian laws.

13.2.8. Resolving to buy back the Bank's shares (unless in connection with any reduction of the Bank's charter capital), bonds and any other emission securities where provided for by Russian laws.

13.2.9. Resolving to buy back the Bank's shares through organised trading to achieve a specific goal(s) under a buyback programme, and approving such programme.

13.2.10. Forming the Bank's executive bodies, in particular appointing, removing, and determining remunerations and compensations to be paid to, the Chairman of the Management Board and members of the Management Board.

13.2.11. Appointing and removing Deputy Chairmen of the Management Board as proposed by the Chairman of the Management Board.

13.2.12. Deciding on requesting the Bank of Russia's approval for the proposed Chairman, Deputy Chairmen and members of the Management Board and other officers requiring its approval under Russian laws (save for the heads and chief accountants of the Bank's branches and officers acting as such).

13.2.13. Recommending to the General Shareholders' Meeting the amount of remunerations and compensations for the members of the Audit Panel and proposing candidacies to the General Shareholders' Meeting for appointment as the Bank's audit firm.

13.2.14. Determining the remuneration of the Bank's audit firm, approving the scope of related services to be provided by it (or its affiliates).

13.2.15. Giving proposals to the General Shareholders' Meeting on configuring the system of Supervisory Board remunerations and compensations.

13.2.16. Recommending to the General Shareholders' Meeting the amount of, and the method for payment of, dividends on the Bank's shares.

13.2.17. Approving bylaws of the Bank and its banking group, except those reserved by the Federal Law "On Joint-Stock Companies" to the General Shareholders' Meeting and those reserved by this Charter to the executive bodies of the Bank.

13.2.18. Allocating the reserve fund and any other funds of the Bank.

13.2.19. Setting up and closing branches and representative offices of the Bank. Deciding to change the status of the Bank's branches.

13.2.20. Consenting to or approving subsequently interested party transactions where required by Russian laws.

13.2.21. Consenting to or approving subsequently major transactions where required by Russian laws.

13.2.22. Controlling the execution of audits by the Bank's audit firm, appraising its performance and reports, approving bylaws governing the Bank's work (interaction) with its audit firm.

13.2.23. Ensuring internal control in the Bank (its banking group): setting out principles of, and approaches to, organising risk management, internal control and internal audit; ensuring the creation and operation of an effective internal control system; reviewing and approving documents on the internal control system's organisation; approving the Bank's (its banking group's) bylaws setting out its risk management, internal control, and internal audit policies; analysing the effectiveness of internal control and discussing with the Bank's executive bodies internal control issues and measures to improve internal control; appointing, removing, and approving the amount and conditions of remuneration for, the Head of the Internal Audit Department, approving the regulations on, reviewing and approving performance reports of, and approving work plans of, the Internal Audit Department, ensuring that the Bank's executive bodies act on recommendations and observations of the Internal Audit Department, audit firm and supervising bodies; controlling the Internal Audit Department's performance; reviewing the Internal Audit Department's semi-annual or more frequent reports on actions taken to fulfil recommendations and remedy issues identified in the Bank's operations; assessing the internal control system's consistency with the nature, scale and conditions of the Bank's operations in case of any changes therein.

13.2.24. Resolving to appoint and remove the Corporate Secretary, and approving the Regulation on the Corporate Secretary. Setting the remuneration for the Corporate Secretary.

13.2.25. Approving the Bank's registrar and the terms of contract with such registrar, and terminating any such contract.

13.2.26. Approving resolutions to issue shares and convertibles, and related prospectuses, offering circulars and closing reports.

13.2.27. Approving the Bank's and its banking group's financial plan (budget) or any material amendments thereto. Reviewing the Bank's and its banking group's financial plan (budget) implementation reports.

13.2.28. Approving any transaction to be made by the Bank with any of its related parties, other than those made by the Bank on arm's length terms in the ordinary course of business with a value (per one transaction) less than 3 (three) percent of the Bank's Tier I Capital as calculated under the report on "International Convergence of Capital Measurement and Capital Standards" dated July 1988 of the Basel Committee on Banking Supervision, as amended from time to time, as at the last reporting date preceding the date of the transaction in question (the "Capital") or those subject to approval by the Supervisory Board or General Shareholders' Meeting as major or interested party transactions (interested parties being defined for the purpose of this clause according to the International Financial Reporting Standard ("IFRS") IAS 24 (Related Party Disclosures)).

13.2.29. Authorising any arrangement for the acquisition or disposal by the Bank of shares or other stock in legal entities and organisations where the consideration payable by or due to the Bank exceeds 20 (twenty) percent of the Capital, whether in one or a series of transactions.

13.2.30. Approving any single transaction or series of related transactions for the disposal of any assets of the Bank of which the book (aggregate book) value as at the last reporting date exceeds 20 (twenty) percent of the Capital (excluding any such disposals contemplated in the annual budget of the Bank).

13.2.31. Approving any actions to be taken by the Bank (other than those contemplated in its annual budget) whereby it incurs, within a reporting year, any obligations to pay amounts exceeding in aggregate 20 (twenty) percent of the Capital to any single party (group of parties).

13.2.32. Approving creation by the Bank or its controlled persons of any subsidiaries or controlled persons of the Bank or approving the Bank's entering into any joint venture (for the purpose of this clause, a joint venture is defined in accordance with the IFRS).

13.2.33. Approving any single transaction or series of related transactions to be made by the Bank or its controlled persons whereby the Bank disposes, directly or indirectly, of all or any part of an equity interest held or, in the case of a related party within the meaning of IAS 24 (Related Party Disclosures), indirectly controlled by the Bank and representing more than 50 (fifty) percent of the capital of or voting shares in the relevant company or related party, if such transaction or transactions result(s) in the Bank owning less than 25 (twenty-five) percent of the capital of or voting shares in such company or related party.

13.2.34. Approving any single transaction or series of related transactions to be made by the Bank outside of the ordinary course of its business and giving rise to an obligation for the Bank to pay amounts in excess of 5 (five) percent of the Capital to any single party (group of parties).

13.2.35. Approving any material transaction or series of related transactions, which are in aggregate material for the Bank, whereby the Bank acquires / disposes of any exclusive intellectual property rights or obtains / grants a license thereto.

For the purposes hereof, material transactions mean those with the value of at least 10 (ten) percent of the book value of the Bank's or its material controlled company's assets as per its or such company's then most recent accounting (financial) statements.

13.2.36. Save for matters reserved to the General Shareholders' Meeting or dealt with elsewhere in this Charter, approving any single transaction or series of related transactions to be made by the Bank with a view to the placement or public circulation of, or of any foreign-law securities of a foreign issuer traded outside the Russian Federation and representing interest in, the shares or convertibles of the Bank.

13.2.37. Creating specific committees of the Supervisory Board: the strategy and sustainable development committee, the audit and risk committee (which shall, amongst other, supervise the Bank's and its banking group's banking risk management), the corporate governance, nominations

and compensation committee, the capital markets committee, the corporate conflict resolution committee, the professional ethics committee and other committees.

The Supervisory Board shall approve bylaws setting out the competence and procedures of, and shall determine the membership and terminate the authority of, its committees, provided that the Strategy and Sustainable Development Committee may only be composed of Supervisory Board members of which at least one must be an independent director of the Bank, while the Audit and Risk Committee and the Compensation, Corporate Governance and Nominations Committee must consist of independent directors entirely or, if impossible due to objective reasons, majoritarily with the remaining committee members being Supervisory Board members other than the Bank's sole executive body and/or collective executive body members.

The quorum of, and the provisions for convening and holding, meetings of committees of the Supervisory Board must comply with the requirements to the quorum, convening and holding of the Supervisory Board meetings set out in clauses 13.9 - 13.10 hereof, unless required otherwise by the nature of the activity of any such committees.

13.2.38. Approving the policy for preventing, detecting and obstructing insider information abuse and market manipulation.

Reviewing and approving the Bank's insider information access, confidentiality and legal compliance bylaws.

Approving the procedure and deadlines for disclosure of insider information (specific kinds thereof) beyond the Bank of Russia's list of issuers' insider information.

Determining the terms of trading in financial instruments for persons specified in Russian insider trading laws, named in the Bank's list of insiders or related to the foregoing persons.

13.2.39. Approving the Bank's and its banking group's risk and capital management strategy, in particular with respect to ensuring adequate capital and liquidity to cover risks both for the Bank (its banking group) in whole and for individual lines of its business (group members), and also approving, and controlling the fulfilment of, a process for managing the Bank's (its banking group's) most material risks.

13.2.40. Reviewing the cases for amending the Bank's and banking group's bylaws related to the internal capital adequacy assessment procedures (the "ICAAP").

13.2.41. Approving reports on the Bank's, its banking group's and its group members' compliance with, and efficiency of, the ICAAP, on material risk stress test results, on material risks, on compliance with mandatory ratios, on the Bank's, its banking group's and its group members' capital size and capital adequacy assessment, giving requests to the Bank's (its banking group's) officers upon review of reports.

13.2.42. Making sure the Bank duly uses rating systems by: approving the Management Board's reports on all changes to established internal procedures which may materially affect the rating systems' output, on the results of application of credit risk management and quantification methods, including the rationale for non-application of the internal ratings-based ("IRB") approach in certain decision-making and credit risk management processes, as well as tasking the Management Board or its Chairman in respect of the rating system's development, improvement and performance; approving the Internal Audit Department's reports on rating system audits, as well as requesting the remediation of any issues raised by the Internal Audit Department regarding the rating system's performance or compliance with Russian laws, the Bank of Russia's regulations, the Bank's bylaws, or the Supervisory Board's resolutions.

13.2.43. Approving IRB evaluation reports presented by a specialised internal committee and the Internal Audit Department.

13.2.44. Approving the Bank's (its banking group's) conflict of interest prevention policy, financial recovery plan, business continuity/recovery plan in the event of any contingency, approving the Bank's (its banking group's) remuneration policy and controlling its implementation.

13.2.45. Approving the procedure for applying the Bank's risk management techniques and risk quantification models (where so provided by the Federal Law "On the Central Bank of the

Russian Federation (the Bank of Russia)), including valuation of its assets and liabilities, off-balance sheet commitments and liabilities, and stress test scenarios and results.

13.2.46. Approving the procedure for applying credit risk management and quantification techniques.

13.2.47. Based on the Internal Audit Department's reports, appraising the compliance by the Chairman of the Management Board and the Management Board with the Bank's and its banking group's strategies and procedures approved by the Supervisory Board.

13.2.48. Deciding on Supervisory Board members' duties, in particular creating board committees, appraising its own performance and presenting results to the General Shareholders' Meeting. Approving the Supervisory Board Member Induction Regulation, and Supervisory Board work plans. Controlling the fulfilment of requests of the Supervisory Board and its committees.

13.2.49. Approving the Bank's HR policy in accordance with Russian laws.

13.2.50. Approving the Bank's Information Policy.

13.2.51. Resolving to apply for listing of the Bank's shares and/or convertibles.

13.2.52. Appraising Supervisory Board nominees and qualifying them as independent, designating the senior independent director of the Supervisory Board.

13.2.53. Deciding on an annual basis whether to qualify a Supervisory Board member who has served as such for 7 (seven) years as independent director as provided for by and subject to the terms of this Charter.

13.2.54. Approving candidates nominated or to be nominated by the Bank to the boards of directors (supervisory boards) of its subsidiary and controlled companies. Any such resolution shall be valid indefinitely so that such candidates need not be re-approved to be re-elected for a new term.

13.2.55. Undertaking the annual appraisal of the Bank's corporate governance and approving its corporate governance system improvement plans.

13.2.56. Approving the Management Board performance appraisal reports prepared under the Bank's bylaws and proposing ways to improve the Management Board's performance.

13.2.57. Approving the Bank's bylaws setting out its corporate ethics and/or corporate governance principles and provisions, whether in whole or for its specific business areas.

13.2.58. Approving the Bank's IT strategy and IT policy.

13.2.59. Approving the Bank's sustainability report.

13.2.60. Approving reports on the creation of an effective IT management system and information security risk management system, on investments in information technologies and information security, on achieved results, and on evaluation of new technologies' impact on the Bank's operations.

13.2.61. Approving the engagement of an independent consultant to find candidates for the Supervisory Board and evaluate the internal audit function.

13.2.62. Reviewing matters related to the organisation, monitoring and control of the payroll system, and to appraisal of its consistency with the Bank's strategy, the nature and scale of its operations, its performance, and the level and mix of risks taken by it, in particular resolving to make an independent appraisal of the payroll system.

13.2.63. Approving bylaws setting out the Bank's dividend policy.

13.2.64. Any other matters contemplated by this Charter and Russian laws.

No matters reserved to the Supervisory Board may be referred to any executive bodies of the Bank.

13.3. The Supervisory Board must have at least 5 (five) members. If the number of holders of the Bank's voting shares exceeds 1,000 (one thousand), the Supervisory Board may not have less than 7 (seven) members. If the number of holders of the Bank's voting shares exceeds 10,000 (ten thousand), the Supervisory Board may not have less than 9 (nine) members.

13.4. Members of the Supervisory Board shall be elected by any General Shareholders' Meeting for the term until the next annual General Shareholders' Meeting and may be re-elected an unlimited number of times.

Members of the Supervisory Board shall be elected by cumulative voting.

Under cumulative voting, votes owned by each shareholder shall be multiplied by the number of the persons to be elected to the Supervisory Board. Any shareholder may cast all the votes so calculated for one or more candidates to the Supervisory Board.

The candidates to get the largest number of the votes shall be deemed elected to the Supervisory Board.

By resolution of the General Shareholders' Meeting, any members of the Supervisory Board may be removed before term.

Supervisory Board members may only be natural persons.

Supervisory Board members and nominees must meet the business reputation and eligibility requirements set out under Russian laws.

Any Supervisory Board member against whom a judgment has come into force imposing a sentence for a deliberate crime or an administrative penalty by way of disqualification, shall be deemed removed from the Supervisory Board immediately or as otherwise provided for by the Regulation on the Supervisory Board of the Bank.

No member of the Supervisory Board needs to be a shareholder of the Bank. Members of the Management Board may not hold more than one quarter of the membership of the Supervisory Board. No Management Board member (including the Chairman of the Management Board) may be the Chairman of the Supervisory Board at the same time.

Supervisory Board members must notify the Chairman of the Supervisory Board and the Corporate Secretary of (a) their intention to serve in governing bodies of any other entities (save for the Bank's controlled and dependent entities) in writing at least 2 (two) weeks before they consent thereto and such entities start making the relevant corporate documents, and (b) any such appointment or its termination within 3 (three) business days thereof.

The Supervisory Board shall have at least 3 (three) independent directors.

Independent directors of the Bank are those Supervisory Board members who have no direct or indirect relationship with the Bank other than membership on the Supervisory Board and who:

(1) are not, and have not been in the past 5 (five) years, employed by the Bank or its affiliates. In this clause, "affiliates" means with respect to any person, any individuals or entities directly or indirectly controlling, controlled by or under common control with, that person. For the purposes of this clause, "control" means the power of an individual or entity, whether independently or jointly with other individuals or entities, directly or indirectly (through third parties), to influence activities of entities and/or individuals (including to direct the management or business policies of an entity through the direct or indirect ownership of more than 20 (twenty) percent of its capital and/or by contract made between that individual or entity and the other individual(s) and/or entity(ies));

(2) are not affiliated with any non-profit organisation that receives significant funding from the Bank or its affiliates;

(3) do not receive and have not received in the past 5 (five) years, any additional remuneration from the Bank or its affiliates other than their remuneration, and reimbursement of expenses related to their service, as Supervisory Board members (such remuneration and reimbursement related to their service as Supervisory Board members may not constitute a significant portion of any such independent director's income for the calendar year in which such remuneration and reimbursement were paid);

(4) do not participate in any employee pension programme (plan) or share option programme (plan) of the Bank or any of its affiliates;

(5) are not employed as the sole executive body or a member of the collective executive body of another entity where any of the members of the Bank's collective executive body serve on that entity's board of directors (supervisory board);

(6) are not, nor have been at any time during the past 5 (five) years, employed by or affiliated with the Bank's external audit firm or any of its affiliates;

(7) do not hold, and are not members of a management body of any entity, or general partners of any general partnership, or members of a business partnership, or partners (members) of an entity

incorporated under foreign law in a legal form similar to that of general partnership or business partnership, and cannot give binding instructions to or otherwise direct the activities of an entity that holds, any significant (more than 2 (two) percent) portion of the outstanding shares in the Bank or shares / interests in the capital of any of its affiliates;

(8) are not members of the immediate family, guardians or trustee of any individual who would not meet any of the tests set out in (1)-(7) of this clause, nor assistants to any such individual who is of age, legally capable and placed under guardianship, nor executors of estate of any such individual who has been declared missing, nor administrators or trustees of estate of any such individual who is or has been declared deceased.

(9) have not served on the Supervisory Board for more than 7 (seven) years.

Any Supervisory Board members who have served as independent directors for 7 (seven) years, may, on an annual basis, be qualified by Supervisory Board resolution as independent directors, provided that none of them may be so qualified after 12 (twelve) years of serving as such.

Starting from the approval date of the Bank's annual report for 2012, those who have been its independent directors since the date of approval of its previous annual report at the General Shareholders' Meeting, and nominees to the Supervisory Board who can be qualified as its independent directors if elected thereto by the annual General Shareholders' Meeting which approves its given annual report, shall be identified therein.

The criteria for qualification of Supervisory Board members as independent directors of the Bank for the purposes of consenting to or approving subsequently interested party transactions shall be as required by Russian laws without any reference to the provisions of this clause.

Any independent director must refrain from joining other entities' governing bodies if this may disqualify him under the independence criteria set forth in the Bank's bylaws and Moscow Exchange's listing rules.

13.5. Members of the Supervisory Board shall elect one of them as the Chairman of the Supervisory Board by a majority of votes of the total of the members present at the meeting of the Supervisory Board.

The Chairman of the Supervisory Board shall organise operation of the said management body, call, chair and procure keeping of the minutes of, its meetings.

Functions of the absent Chairman of the Supervisory Board shall be delegated to any Supervisory Board member chosen by the Supervisory Board.

13.6. Meetings of the Supervisory Board shall be called by its Chairman at his own discretion or by request of any member of the Supervisory Board, the Audit Panel, the head of the subdivision responsible for internal audit, the Bank's audit firm, the Management Board or the Chairman of the Management Board.

13.7. Certain reserved matters and certain aspects of the procedure for calling and holding meetings of the Supervisory Board shall be stipulated by the Bank's bylaws.

13.8. Meetings of the Supervisory Board may be held with or without physical presence. The Supervisory Board shall count the written opinion of any Supervisory Board member absent from the relevant meeting towards quorum of that meeting and in any voting thereat.

Notice of each meeting of the Supervisory Board together with its agenda, proposed resolutions on the items of such agenda, materials and information necessary for the Supervisory Board members to make well-grounded resolutions on the items of agenda of the forthcoming Supervisory Board meeting, shall be circulated to the Supervisory Board members at least 7 (seven) days in advance of such meeting.

The Chairman of the Supervisory Board may waive the requirement of the foregoing paragraph where it cannot be observed due to prevailing circumstances.

Each member of the Supervisory Board may participate in any in-person Supervisory Board meeting remotely by telephone or video conference subject to a reasonable notice thereof to be given to the Bank. The chairman of any Supervisory Board meeting shall ensure audio or video recording of observations and voting of any Supervisory Board member participating by telephone



or video conference. The material carrier of any such audio or video record shall be filed with the minutes of such meeting.

The Supervisory Board shall meet at least once every calendar quarter according to a schedule fixed by its resolution.

13.9. A meeting of the Supervisory Board shall be quorate if attended by more than a half of its elected members.

If the number of the Supervisory Board members falls below the quorum stipulated hereby, the Supervisory Board shall call an extraordinary General Shareholders' Meeting to elect new members to the Supervisory Board.

The Chairman of the Supervisory Board shall adjourn any inquorate Supervisory Board meeting to the same time and place and with the same agenda on a day falling not earlier than 10 (ten) days but no later than 21 (twenty-one) days thereafter.

13.10. Any resolution on the items of agenda of any meeting of the Supervisory Board shall be passed by a majority of votes of the members attending the meeting, unless a greater number of votes is required by the Federal Law "On Joint-Stock Companies", this Charter or a bylaw of the Bank setting out the provisions for convening and holding Supervisory Board meetings.

Any resolution on the matter set out in clause 13.2.21. hereof shall be passed by the Supervisory Board with all its non-retired members voting unanimously.

Each member of the Supervisory Board shall have one vote. No transfer of vote from one member of the Supervisory Board to another or to any other person shall be permitted. The Chairman of the Supervisory Board has a casting vote to break ties.

13.11. The Supervisory Board shall play a key role in making decisions or recommendations relating to material corporate actions, which should be carried out on fair terms and conditions, ensuring that the rights and interests of the shareholders and other stakeholders are observed.

Material corporate actions are actions that affect or may affect, to a significant extent, the Bank's equity structure and financial condition and, accordingly, its shareholders' interests. Material corporate actions include the Bank's reorganisation, its entry into any material transactions, increasing or decreasing its charter capital, listing and delisting of its shares, as well as other actions that may be expected to materially change the rights of its shareholders or infringe on their interests.

## **Article 14. MANAGEMENT BOARD**

14.1. The Management Board is a collective executive body of the Bank to be formed by resolution of the Supervisory Board of at least 5 (five) persons and acting under this Charter and a regulation as approved by the General Shareholders' Meeting setting out terms and procedure for calling and holding the meetings of, and a decision-making procedure for, the Management Board.

A meeting of the Management Board shall be quorate if attended by at least a half of its members approved by the Supervisory Board. If the number of Management Board members falls below a half of the number needed for such quorum, the Supervisory Board shall approve a new membership of the Management Board.

The quorum for any meetings of the Management Board shall be constituted by at least a half of the members thereof approved by the Supervisory Board. If there are fewer Management Board members than required for such quorum, the Supervisory Board shall approve a new membership of the Management Board.

14.2. The following matters shall be reserved to the Management Board:

14.2.1. Ensuring implementation of any resolutions of the General Shareholders' Meeting and the Supervisory Board, and any recommendations of the Audit Panel.

14.2.2. Approving interest rates and charges for banking services, excluding preferential interest rates and preferential tariffs, the approval of which is reserved to the Chairman of the Management Board.

14.2.3. Setting out the Bank's organisational structure and total headcount (save for its branches, representative offices, and Internal Audit Department), and reviewing its staffing table.

14.2.4. Preparing proposals to the Supervisory Board on the Bank's and its banking group's financial plan (budget) and amendments thereto, including as regards staff costs.

14.2.5. Forming committees for any activities of the Bank and delegating thereto some of the powers of the Management Board under respective committee regulations approved by the Management Board.

14.2.6. Delegating some of its authorities to officers of subdivisions.

14.2.7. Giving binding orders to any employees of the Bank in implementation of the Management Board's resolutions.

14.2.8. Resolving matters related to the opening and closing of the Bank's branches.

14.2.9. Approving the Bank's bylaws: policies, instructions, regulations, procedures, manuals, guidelines and rules (unless reserved by this Charter and Russian laws to other governing bodies of the Bank).

14.2.10. Approving bylaws setting out the procedures for managing the Bank's and banking group's material risks, including risk and capital management procedures, stress test procedures, and controlling the execution of such procedures.

14.2.11. Approving and amending the regulations on, and deciding on the renaming of, the Bank's branches and representative offices.

14.2.12. Approving the emission securities issuer reports.

14.2.13. Reviewing reports on the Bank's (its banking group's and its members') compliance with, and efficiency of, the ICAAP, on material risk stress test results, on material risks, on compliance with mandatory ratios, on the Bank's, its banking group's and its group members' capital size and capital adequacy assessment.

14.2.14. Preparing proposals to the Supervisory Board on amending ICAAP bylaws.

14.2.15. Reviewing reports on all changes in IRB evaluations in specific decision-making and credit risk management processes before such reports are submitted to the Supervisory Board.

14.2.16. Approving the setup and operation rules of the Bank's credit risk management system.

14.2.17. Reviewing the Internal Audit Department's audit reports to control the quality of the IRB approach implementation.

14.2.18. Defining the types and the list of information constituting the Bank's commercial secrets.

14.2.19. Deciding on acquisition or disposal by the Bank of any interest in the authorised (or joint) capital (or unit fund) of another commercial organisation or any block of ordinary shares in another joint-stock company, if the resulting interest or block of ordinary shares exceeds, or falls below, 20 (twenty) percent or 50 (fifty) percent.

14.2.20. Where so provided for by the Bank of Russia's regulations, taking decisions as the Bank's competent body on its loss provisioning matters, including loan loss provisioning matters.

14.2.21. Reviewing and transacting any other matters referred to the Management Board by the Chairman of the Management Board.

14.3. Members of the Management Board shall be approved by the Supervisory Board as recommended by the Chairman of the Management Board.

14.4. Affairs of the Management Board shall be directed by the Chairman of the Management Board.

14.5. Any resolutions on the issues of the agenda of any meetings of the Management Board shall be passed by a simple majority of the votes of its members present at the meeting. Each member of the Management Board shall have one vote for any issue on the agenda of any meeting of the Management Board. In case of any voting tie, the Chairman of the Management Board shall have a casting vote. No member of the Management Board may transfer his right to vote to any other person being a fellow member or not.

14.6. Rights and duties of the members of the Management Board shall be as set out by Russian laws, the Regulation on the Management Board as approved by the General Shareholders' Meeting and a contract made between each such member and the Bank. Any such contract shall be signed on behalf of the Bank by the Chairman of, or by a person authorised by, the Supervisory Board.

14.7. Members of the Management Board must, at the time of requesting the Bank of Russia's approval for their candidacies, at the time of appointment (election) and throughout their tenure, meet qualification and business reputation requirements provided by Russian laws.

14.8. The Chairman of the Management Board and the Management Board shall report to the General Shareholders' Meeting and the Supervisory Board.

14.9. The provisions of Russian labour laws shall apply to the Chairman of the Management Board and members of the Management Board to the extent consistent with the provisions of the Federal Law "On Joint-Stock Companies". Management Board members working under employment contracts are covered by the provisions of chapter 43 of the Labour Code of the Russian Federation.

### **Article 15. CHAIRMAN OF THE MANAGEMENT BOARD**

15.1. The Chairman of the Management Board is the sole executive body of the Bank governing the current activities of the Bank.

15.2. All matters related to the day-to-day management of the Bank's activities shall be reserved to the Chairman of the Management Board, unless reserved to the General Shareholders' Meeting or the Supervisory Board.

The Chairman of the Management Board shall:

15.2.1. Without any power of attorney, represent the Bank in any institutions, enterprises and organisations in the Russian Federation and abroad, and make any agreements whatsoever and any other transactions on behalf of the Bank.

15.2.2. Dispose of the Bank's property to the extent permitted by Russian laws.

15.2.3. Approve preferential interest rates and preferential tariffs for banking services.

15.2.4. Open correspondent and any other accounts with other banks including foreign banks.

15.2.5. Ensure accounting and reporting in the Bank, and compliance of banking operations with Russian laws, and be liable for the performance of the said duties imposed on him by federal laws.

15.2.6. Set limits for the operations of the Bank's branches.

15.2.7. Decide on requesting the Bank of Russia's approval for the proposed heads and chief accountants of the Bank's branches and officers acting as such under Russian laws.

15.2.8. Approve the staffing table of the Bank, including its branches, representative offices and other subdivisions, define the organisational structure and total headcount of its branches and representative offices, Internal Audit Department, hire and dismiss its employees (in particular, appoint and dismiss the Bank's Chief Accountant and the heads of the Bank's branches and representative offices), grant incentives to and impose sanctions on the Bank's staff under Russian laws.

15.2.9. Issue orders and directions binding on all of the Bank's employees on any issues of the Bank's activities.

15.2.10. Issue powers of attorney to the Bank's employees, whether sub-delegable or not.

15.2.11. Exercise powers related to organisation of internal control in the Bank: define responsibilities for implementation of any resolutions of the Supervisory Board; implement the Bank's and its banking group's internal control set-up and operation strategy and policy; assign responsibilities to the managers of the relevant structural units for developing internal control policies and control implementation thereof; review compliance of the Bank's (its banking group's) business with the internal control regulations, and evaluate the adequacy of such regulations to the

nature and the scale of the Bank's (its banking group's) business; assign responsibilities among the units and employees responsible for specific aspects (forms and methods) of internal control; review the materials and findings of regular internal control performance appraisals; set up efficient communication systems providing necessary information to relevant users; ensure operation of a system enabling control over remediation of any internal control faults or flaws identified, and appraise success of any such remediation.

15.2.12. Set the coupon rate for (coupon income on) the Bank's bonds.

15.2.13. Resolve to appoint a representative of bondholders where required by federal laws, and to make/amend/terminate the contract with any such representative.

15.2.14. Resolve to convene a general bondholders' meeting in such manner and time as set out by Russian laws.

15.2.15. Sign securities issue closing reports.

15.2.16. Enact risk and capital management procedures and stress test procedures based on the Bank's (its banking group's) Risk and Capital Management Strategy approved by the Supervisory Board.

15.2.17. Arrange for the preparation of proposals on amending ICAAP bylaws.

15.2.18. Resolve that the Bank joins or leaves other organisations, except where this Charter reserves such matter to other governing bodies of the Bank, including by entering into transactions in the form provided for by civil law.

15.2.19. Approve the Bank's own insider information lists.

15.2.20. Review and approve reports contemplated in the internal control rules for preventing, detecting and obstructing insider information abuse and/or market manipulation.

15.2.21. Review and approve reports and other documents contemplated in the stock market professional participant internal control rules.

15.2.22. Approve the internal control rules for the purposes of anti-money laundering, terrorism financing and counter-weapons of mass destruction financing.

15.2.23. Resolve any other issues arising out of the Bank's day-to-day activities.

15.3. In case of temporary absence of the Chairman of the Management Board, his functions shall be performed by a First Deputy Chairman of the Management Board or by a Deputy Chairman of the Management Board appointed as Acting Chairman of the Management Board by an order of the Bank.

During the absence of the Chairman of the Management Board, the Acting Chairman of the Management Board shall exercise the rights and perform the duties of the Chairman of the Management Board stipulated by this Charter and by Russian laws.

15.4. The Deputy Chairmen of the Management Board (First Deputy Chairmen of the Management Board, Deputy Chairmen of the Management Board) shall perform such internal control duties as assigned by the Chairman of the Management Board.

15.5. Rights and duties of the Chairman of the Management Board shall be as set out by this Charter and by a contract made under Russian laws and signed on behalf of the Bank by the Chairman of, or a person authorised by, the Supervisory Board.

15.6. The Chairman of the Management Board shall bear full pecuniary responsibility for any direct actual damage caused to the Bank.

Where so stipulated by federal laws, the Chairman of the Management Board shall indemnify the Bank for any loss incurred due to his guilty actions. Any such loss shall be calculated under provisions of Russian civil laws.

15.7. The Chairman of the Management Board must, at the time of requesting the Bank of Russia's approval for his candidacy, at the time of appointment (election) and throughout his tenure, meet qualification and business reputation requirements provided by Russian laws.

## **Article 16. CONTROL OVER FINANCIAL AND BUSINESS ACTIVITIES OF THE BANK**

16.1. The control over the Bank's financial and business activities shall be exercised by the Audit Panel composed of 3 (three) persons elected by any General Shareholders' Meeting for the term until the next annual General Shareholders' Meeting.

No members of the Audit Panel may be at the same time members of the Supervisory Board and/or the Management Board, or hold any other offices in the Bank's management.

Any shares held by members of the Supervisory Board or by the Bank's management may not vote in elections of members of the Audit Panel.

16.2. Members of the Audit Panel shall be responsible for any abusive performance of their duties as stipulated by Russian laws.

16.3. In performing its functions, the Audit Panel may engage any experts not employed by the Bank. The Chairman of the Audit Panel shall be responsible for any actions of any such engaged experts.

16.4. The Audit Panel shall inspect the Bank's compliance with applicable laws and regulations, arrangement of the Bank's internal control, legality of operations made by the Bank (by total or sample inspection) and the state of cash and property.

The operational guide and the competence of the Audit Panel shall be set out by the Regulation on the Audit Panel approved by the General Shareholders' Meeting.

16.5. The Audit Panel shall submit to the General Shareholders' Meeting a report on revision of the Bank's financial and economic activities, and an opinion on accuracy of the Bank's annual accounting (financial) statements to be presented to the General Shareholders' Meeting for approval.

16.6. A revision of the financial and economic activities of the Bank shall be carried out with respect to its annual results and at any time at the discretion of the Audit Panel, by resolution of the General Shareholders' Meeting, by resolution of the Supervisory Board or by request of any shareholder(s) aggregating at least 10 (ten) percent of the voting shares of the Bank.

16.7. The Audit Panel shall mandatorily review the Bank's annual accounting (financial) statements and balance sheets before approval thereof by the General Shareholders' Meeting. The General Shareholders' Meeting may not approve the Bank's annual accounting (financial) statements and balance sheets without an opinion of the Audit Panel.

16.8. If a revision of the Bank's financial and economic activities has identified any threats to the interests of the Bank or its depositors, or any misuse by the officers, the Audit Panel shall require an extraordinary General Shareholders' Meeting to be called.

16.9. Documented findings of revisions of the Bank's financial and economic activities shall be submitted by the Audit Panel to the Supervisory Board for review and to the Chairman of the Management Board for acting thereon.

16.10. The Bank's activities shall be supervised and controlled by the Bank of Russia and any other bodies authorised to do so by Russian laws.

16.11. To audit, and confirm the accuracy of, the annual (interim) accounting (financial) statements prepared in accordance with Russian laws and consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS), the Bank shall engage on an annual basis audit firms disinterested in its or its shareholders affairs (external audit), listed in the registers provided for by the Federal Law "On Auditing" and meeting other requirements of Russian law.

Audit firms shall be appointed by the General Shareholders' Meeting. Fees for their services shall be determined by the Supervisory Board.

The Bank shall be audited in accordance with Russian laws and International Standards on Auditing under contracts made with audit firms.

Any reports prepared by the Audit Panel and the audit firm upon each review of the Bank's business activities shall cover such matters as are required by Russian laws.

The auditors' report on the Bank's annual (interim) accounting (financial) statements prepared in accordance with Russian laws and consolidated financial statements prepared in accordance with IFRS shall be filed with the Bank of Russia in such manner and time as required by Russian laws.

## **Article 17. INTERNAL CONTROL**

17.1. The Bank shall set up and maintain an internal control system designed to ensure:

- sound and productive business performance in making banking operations and other transactions, sound assets and liabilities management, in particular preservation of assets, and management of banking risks;

- correct, complete, fair and prompt preparation and provision of financial, accounting, statistical and other reports (for external and internal users), and information security (protection of the Bank's (its banking group's) interests (goals) in the information sphere defined as the totality of information, IT infrastructure, parties collecting, generating, disseminating and using information, and systems regulating resulting relationships);

- compliance with regulations, self-regulatory organisations' standards, the Bank's and its banking group's constitutive documents and bylaws;

- preventing the Bank and its staff from being involved in any illicit activity, including money laundering, financing of terrorism and weapons of mass destruction financing, and organising timely reporting to state authorities and the Bank of Russia as required by Russian laws.

17.2. The internal control system is a complex of bodies and areas of internal control ensuring compliance with the procedure of implementation and achievement of objects set forth by Russian laws, regulations, this Charter and bylaws of the Bank and its banking group.

17.3. The system of internal control bodies is the set of management bodies, subdivisions and officers carrying out functions within the internal control system designated in the Bank's Charter and bylaws.

17.4. The Bank's internal control system includes the following areas:

- control by management bodies over the Bank's business processes;
- control over performance of the Bank's risk management and assessment system;
- control over distribution of authority to make banking operations and other transactions;
- control over management of information flows (receipt and sharing of information) and information security;

- ongoing monitoring of the internal control system's performance to appraise its adequacy for the Bank's business goals, detect flaws, propose improvements and control their implementation.

17.5. Internal control shall be carried out, within the powers defined by this Charter and Bank's bylaws, by:

1) the Bank's governing bodies:

1.1) the General Shareholders' Meeting;

1.2) the Supervisory Board;

1.3) the Management Board;

1.4) the Chairman of the Management Board and his deputies (First Deputy Chairmen of the Management Board, Deputy Chairmen of the Management Board);

2) the Chief Accountant of the Bank (his deputies);

3) the heads (their deputies) and chief accountants (their deputies) of the Bank's branches;

4) the Audit Panel of the Bank;

5) the Audit and Risk Committee of the Supervisory Board;

6) the Bank's subdivisions and officers responsible for exercising internal control in line with its bylaws:

6.1) the Internal Audit Department;

6.2) the Compliance Directorate, including:

- the Internal Control Section of the Compliance Directorate, which comprises in particular the Stock Market Professional Participant Comptroller and the Insider Information Abuse and Market Manipulation Compliance Officer;

- the subdivision responsible for anti-money laundering, combating financing of terrorism and counter-weapons of mass destruction financing, headed by a designated AML/CFT/CWMD compliance officer;

- 6.3) the Risk Management Directorate;

- 6.4) Other subdivisions and/or officers exercising internal control functions.

17.6. The internal control bodies shall be formed in such manner and have such responsibilities as set forth by Russian laws, the Bank of Russia's regulations, this Charter and the Bank's bylaws.

The Bank's governing bodies listed in clause 11.1 hereof shall be formed in such manner and have such internal control responsibilities as set forth in chapters 12-15 hereof and the Bank's bylaws applicable to them.

17.7. The Chief Accountant and his deputies shall be appointed and removed by the Chairman of the Management Board.

In relation to internal control, the Chief Accountant and his deputies shall:

- set the accounting policy of the Bank in compliance with regulations of the Bank of Russia and Russian laws;

- ensure true, complete, fair and up-to-date recording of the Bank's operations in the accounting books;

- ensure timely submission of the true and complete accounting (financial) statements and other information under the current statutes to state authorities and other persons, bodies and organisations as required by federal laws;

- monitor the compliance of the undertaken operations with Russian laws and regulations of the Bank of Russia;

- assign responsibilities for the safekeeping, and control any transfers, of the Bank's property, and the performance of the Bank's obligations.

17.8. Formation and authority of the Audit Panel are set out in Article 16 hereof and the Regulation on the Audit Panel approved hereunder.

In relation to internal control, the Audit Panel shall:

- audit the Bank's financial and economic activities;

- review the Bank's compliance with the accounting and other statutes of the Russian Federation;

- audit the trueness of information contained in any statements and any other financial documents of the Bank

17.9. Formation and authority of the Audit and Risk Committee of the Supervisory Board shall be as set out in the Regulation on the Audit and Risk Committee of the Supervisory Board approved by the Supervisory Board as provided for hereby.

In relation to internal control, the Audit and Risk Committee of the Supervisory Board shall:

- appraise the audit firm's independence, fairness and lack of conflict of interest;

- control the execution of external audits and evaluate the quality of audits and the audit firm's reports;

- make proposals to the Supervisory Board as to the appointment and discharge of audit firms, the scope of their services, including associated services, their service fees and terms and conditions of their engagement;

- analyse, and advise the Supervisory Board on the approval of, the scope and cost of non-audit services to be provided to the Bank by the audit firm;

- review any written reports, internal notes and statements of the Audit Panel on any irregularities identified from time to time in the Bank's business and advise the Supervisory Board on the prevention of any such irregularities in the future;

- review reports on the Bank's, its banking group's and its group members' compliance with, and efficiency of, the ICAAP, on material risk stress test results, on material risks, on compliance with mandatory ratios, on the Bank's, its banking group's and its group members' capital size and capital adequacy assessment;

- advise the Supervisory Board on the appointment and discharge of the Head of the Internal Audit Department, the amount of, and conditions for, his/her remuneration;

- preliminarily review activity plans and performance reports of the Internal Audit Department;

- monitor and analyse the Internal Audit Department's performance;

- analyse the Internal Audit Department's reports on fulfilment of audit plans;

- appraise performance of the Head of the Internal Audit Department;

- oversee that the internal control system and processes cover such matters as preparation and presentation of accounting (financial) and internal reporting, monitoring of compliance with Russian laws and the Bank's bylaws, efficiency of its operations and other transactions, and preservation of assets;

- advise management bodies as regards external audits and the appointment of external audit firms;

- ensure prompt actions to address any flaws in the internal control system or breaches of Russian laws, the Bank's bylaws, or any other issues identified by external audit firms.

17.10. The Heads of the Risk Management Directorate, Internal Audit Department or Compliance Directorate and the AML/CFT/CWMDF Compliance Officer must, at the time of appointment and throughout their tenure (whether permanent or provisional), meet eligibility criteria and business reputation requirements set forth by Russian laws and the Bank of Russia's regulations.

17.11. The Internal Audit Department is the Bank's subdivision created to carry out internal control in the Bank, its banking group and (where so allowed by Russian laws) group members, and supporting the Bank's governing bodies in ensuring its and its banking group's efficient operation under this Charter and the Regulation on the Internal Audit Department as approved by the Supervisory Board.

The Internal Audit Department shall report to, and act under the direct control of, the Supervisory Board. The Head of the Internal Audit Department shall report to the Supervisory Board reports on the fulfilment of its work plans approved by the latter, the results of its audits, and the actions taken to fulfil its recommendations and remedy any issues identified in the Bank's operations.

The Internal Audit Department shall act independently from other subdivisions of the Bank.

The organisational structure, headcount and technical equipment of the Internal Audit Department shall be approved by the Chairman of the Management Board, in consultation with the Supervisory Board, adequately for the efficient operation, and the achievement of the goals and tasks, of the Bank's internal control.

The Head of the Internal Audit Department shall report to the Supervisory Board. The Head of the Internal Audit Department shall be appointed and removed by the Supervisory Board as advised by the Chairman of the Management Board.

Employees of the Internal Audit Division shall be appointed and removed by, or by a person authorised by, the Chairman of the Management Board as advised by the Head of the Internal Audit Department according to the Bank's internal policies.

The Internal Audit Department has the power to audit all areas of the Bank's operations, including:

- appraising the efficiency of the overall internal control system and of the execution of resolutions made by the Bank's governing bodies;

- appraising the efficiency of the risk and capital management system;

- appraising the corporate governance;



- auditing the efficiency of, and compliance with, the banking risk assessment methodology and banking risk management procedures set forth by the Bank's and the banking group's bylaws;
- auditing the IT internal control system, including the control over database integrity and protection from unauthorised access and/or usage, and contingency arrangements under the Bank's (banking group's) business continuity and recovery plan;
- auditing and testing the correctness, completeness and timeliness of bookkeeping and accounts, and the reliability (which includes correctness, completeness and timeliness) of collecting and providing information and reporting forms;
- auditing the means (methods) used to protect the Bank's property;
- appraising the Bank's operations for economic expediency and efficiency;
- auditing internal control processes and procedures;
- auditing the Compliance Directorate and the Risk Management Directorate;
- other authorities in accordance with Russian laws, the Bank of Russia's regulations, the Bank's and its banking group's bylaws.

17.12. The Compliance Directorate is the Bank's subdivision created to conduct internal control and assist the Bank's governing bodies in ensuring its efficient operation, growth and development. The Compliance Directorate also performs the internal control function.

By an internal order, the Head of the Compliance Directorate acts as the Chief Internal Control Officer.

The Compliance Directorate reports to the Chairman of the Management Board. If the Head of the Compliance Directorate is not a Management Board member, then the Chairman of the Management Board may decide that he shall report to a Deputy Chairman and member of the Management Board who is not involved in making any decisions related to the Bank's banking operations and other transactions.

The Regulation on the Compliance Directorate shall be approved by the Chairman of the Management Board.

The Head of the Compliance Directorate is an employee of the Bank's and shall be appointed and removed by the Chairman of the Management Board. The Head of the Compliance Directorate shall not be involved in any banking operations or other transactions.

The Head of the Compliance Directorate shall carry out the following functions:

- arranging the development of proposals to the Bank's governing bodies regarding its internal control system development strategy and internal control policy;
- setting current development goals for the Bank's internal control function within the Compliance Directorate's competence;
- assessing draft internal control bylaws and submitting them for approval by the Bank's competent body;
- monitoring, coordinating activities, and appraising performance, of the Internal Control Section of the Compliance Directorate;
- informing the Chairman of the Management Board and the Management Board of any issues found in regulatory risk management;
- informing the Chairman of the Management Board and the Management Board, and, where so required by the Bank's bylaws, the Supervisory Board of any regulatory risk which may lead to material losses for the Bank;
- informing the Chairman of the Management Board and the Management Board of any events impeding his work;
- ensuring, within the Compliance Directorate's competence, that the persons debarred by Russian laws and the Bank of Russia's regulations from engaging in making banking and other operations, and other risk-related transactions of the Bank, comply with that prohibition;
- other functions set out by the Bank's bylaws.

17.12.1. The Internal Control Section of the Compliance Directorate is the latter's subdivision. The Internal Control Section shall carry out the following functions:

– identifying compliance risk, i.e. the Bank’s exposure to losses due to non-compliance with Russian laws, the Bank’s bylaws, standards of self-regulatory organisations (if mandatory for it), as well as due to sanctions and/or other enforcement actions imposed by supervisory bodies (the “regulatory risk”);

– registering regulatory risk events, assessing their probability and quantifying their possible impact;

– monitoring regulatory risk, in particular analysing the Bank’s new banking products, services and their intended delivery methods for regulatory risk;

– giving, where necessary, regulatory risk recommendations to the heads of the Bank’s subdivisions and the executive body designated by the Bank’s bylaws;

– coordinating and promoting development of regulatory risk mitigation efforts in the Bank;

– monitoring efficiency of regulatory risk management;

– promoting development of regulatory risk management bylaws;

– informing the Bank’s staff on regulatory risk management matters;

– identifying conflicts of interest at the level of the Bank as a whole and at the level of its individual employees, promoting development of related bylaws;

– analysing customer grievance indicators and the Bank’s observance of customers’ rights;

– analysing economic suitability of contracting legal entities and sole proprietors to render services and/or perform works required for the Bank to ensure banking operations (outsourcing);

– promoting development of bylaws intended to combat commercial bribery and corruption;

– promoting development of bylaws and arranging actions to ensure compliance with rules of corporate conduct and standards of professional ethics;

– participating, within its competence, in the Bank’s communications with supervisory bodies, self-regulatory organisations, associations and participants of financial markets;

– ensuring compliance of the Bank's operations and its employees' actions in the financial markets with Russian financial market laws and financial market operation standards;

– exercising internal control in the Bank as a stock market professional participant;

– exercising internal control for the purposes of countering insider information abuse and market manipulation (also, “CIIA/MM”);

– performing other functions as set out in the Bank’s bylaws.

17.12.2. The internal control in the Bank as a stock market professional participant shall be exercised by the Stock Market Professional Participant Comptroller who is an officer in the Internal Control Section of the Compliance Directorate.

The Stock Market Professional Participant Comptroller shall identify, analyse, assess, monitor and manage the risk of the Bank incurring any expenses (losses) and/or other adverse effects as a professional participant as a result of its or its operations' non-compliance with any securities market laws and regulations of the Russian Federation, basic and internal standards of any self-regulatory financial market organisation of which it is a member as a stock market professional participant, its constitutive documents or bylaws related to the professional stock market activity, and/or the risk of any enforcement action against it as a professional participant from the Bank of Russia and/or the self-regulatory organisation (regulatory risk of professional stock market activity), and carry out other functions within responsibilities set out in the Bank's bylaws.

The Stock Market Professional Participant Comptroller is subordinate and reports to the Chairman of the Management Board.

17.12.3. The CIIA/MM internal control shall be exercised by the Insider Information Abuse and Market Manipulation Compliance Officer who is appointed and removed by the Chairman of the Management Board.

The Insider Information Abuse and Market Manipulation Compliance Officer is subordinate and reports to the Chairman of the Management Board.

The Insider Information Abuse and Market Manipulation Compliance Officer shall:

– identify, analyse, assess and monitor the risk of the Bank incurring any expenses (losses) and/or other adverse effects as a result of its or its operations' non-compliance with any CIIA/MM

requirements or its bylaws, and/or as a result of any enforcement action against it from the Bank of Russia and/or any self-regulatory financial market organisation (the “CIIA/MM regulatory risk”);

– organise processes to manage the CIIA/MM regulatory risk, in particular design and control actions to avoid and prevent the consequences of such risk materialising.

17.12.4. The subdivision responsible for anti-money laundering, combating financing of terrorism and counter-weapons of mass destruction financing (“AML/CFT/CWMDF”) is the Compliance Directorate’s subdivision. The AML/CFT/CWMDF subdivision shall carry out the following functions:

– ensuring the Bank’s compliance with Russian AML/CFT/CWMDF laws;  
– organising the AML/CFT/CWMDF internal control system, including the development of the AML/CFT/CWMDF Internal Control Rules (the “AML/CFT/CWMDF Rules”), the Special-Purpose AML/CFT/CWMDF Internal Control Rules (the “Special-Purpose ICR”), and AML/CFT/CWMDF internal control programmes;

– ensuring management of AML/CFT risks in order to mitigate them;  
– ensuring assessment of AML/CFT risks;  
– ensuring the fulfilment of AML/CFT risk mitigation measures pursuant to the AML/CFT/CWMDF Rules with measures and procedures set out in the AML/CFT/CWMDF internal control programmes;

– coordinating and controlling the banking group members’ compliance with the Special-Purpose ICR;

– controlling the compliance by the Bank’s employees with the AML/CFT/CWMDF Rules and the fulfilment by it and its employees of the AML/CFT/CWMDF Rules programmes;

– coordinating the Bank’s subdivisions in fulfilling the AML/CFT/CWMDF Rules;  
– controlling the compliance with legal requirements concerning identification of customers, their representatives, beneficiaries, and beneficial owners, and promptly detecting customers’ reportable and suspicious operations (transactions) as defined in Russian laws and in accordance with the AML/CFT/CWMDF Rules;

– organising and controlling the reporting to the financial intelligence unit as required by the AML/CFT/CWMDF Rules;

– reviewing bylaws, drafts of standard form agreements (deeds or other contractual documents), banking product and banking operation algorithms developed by the Bank’s internal subdivisions from the viewpoint of their compliance with Russian laws and the Bank of Russia’s AML/CFT/CWMDF regulations, other bylaws, rules and standards;

– developing (independently and/or jointly with other subdivisions of the Bank) recommendations on the remediation of any identified non-compliance with AML/CFT/CWMDF laws, on minimisation of regulatory and other non-financial risks in technologies of banking operations, banking products and/or in related bylaws involving AML/CFT/CWMDF compliance risks;

– assisting authorised representatives of regulatory bodies and audit firms in making comprehensive and focused audits of the Bank, and liaising with regulatory bodies on AML/CFT/CWMDF matters;

– arranging and implementing measures to prevent and obstruct the channelling of suspicious operations through the Bank;

– deploying the AML/CFT/CWMDF preparation and training programme for the Bank’s staff.

The statutory duty to control the Bank’s AML/CFT/CWMDF processes and compliance of its AML/CFT/CWMDF Internal Control Rules with Russian AML/CFT/CWMDF laws shall be borne by the Chairman of the Management Board or, if so provided for in a bylaw, his deputy or a Management Board member. The fulfilment of AML/CFT/CWMDF internal control functions shall be organised by the AML/CFT/CWMDF Compliance Officer, as authorised by the Bank’s internal regulations and executive documents.

The AML/CFT/CWMDF Compliance Officer shall be appointed and removed by the Chairman of the Management Board.

17.13. The Risk Management Directorate carries out its functions in the Bank, its banking group and group members in accordance with Russian laws, the Bank's and its banking group's bylaws on an ongoing basis. Risk management functions may be delegated to other subdivisions of the Bank subject to distribution of responsibilities between them.

The Risk Management Directorate shall report directly to the Chairman of the Management Board or their Deputy who is also a Management Board member and does not supervise any subdivisions engaged in banking operations and other transactions.

The Risk Management Directorate shall operate in accordance with Russian laws, regulations of the Bank of Russia and other state authorities, this Charter, the Risk Management Directorate Regulation and other bylaws of the Bank and its banking group.

The Risk Management Directorate shall be headed by a manager to be appointed and removed by the Bank's order. The Risk Management Directorate Head and staff shall be employed by the Bank.

The Head of the Risk Management Directorate shall coordinate and control the work of all subdivisions (officers) carrying out risk management functions and of any special working bodies (committees) responsible for risk management, should they be created in the Bank.

The Risk Management Directorate's main objectives shall be to:

– ensure the total quantum and profile of risks taken by the Bank and its banking group comply with ceilings set by the Bank's and its banking group's Development Strategy, Risk and Capital Management Strategies, and resolutions of the Bank's governing bodies;

– ensure the efficiency of the Bank's and its banking group's risk management system in accordance with their bylaws, international practice, requirements of the Bank of Russia and other state authorities;

– ensure the efficiency of the Bank's corporate credit process and corporate lending standards in accordance with the Bank's Risk Management Policy, international practice, requirements of the Bank of Russia and other state authorities.

– ensure the corporate and retail lending standards in accordance with the Bank's and its banking group's Credit Policy and bylaws, international practice, requirements of the Bank of Russia and other state authorities.

To achieve the said objectives, the Risk Management Directorate shall perform functions set out in its regulation.

17.14. The Bank shall, within three days, notify the Bank of Russia in writing of any proposed material changes to its internal control system (changes to internal control rights or responsibilities of the Bank's management bodies or other bodies; changes to the Compliance Directorate's and/or its Internal Control Section's structure; changes to subordination of the Head of the Compliance Directorate; and any other changes as set out by the Bank's bylaws).

The Bank shall, in such manner and time as set out by Russian laws, notify the Bank of Russia in writing of the appointment (or any substitution) of the Heads of the Risk Management Directorate, Internal Audit Department or Compliance Directorate.

The Bank shall, within one business day, notify the Bank of Russia in writing of the discharge of the Heads of the Risk Management Directorate, Internal Audit Department or Compliance Directorate (or the termination of their substitution).

Formation, operational framework and authorities of any other corporate units performing internal control as required by nature and scale of the Bank's activities shall be defined by departmental regulations, job descriptions and other internal documents of the Bank.

## **Article 18. THE BANK'S ACCOUNTING AND REPORTING. KEEPING OF DOCUMENTS**

18.1. The accounting process and document circulation of the Bank shall be organised in compliance with the rules established by the Bank of Russia.

The Bank shall submit reports related to its (its banking group's) activities to the Bank of Russia covering its registered address in the form and within the terms established by the rules of the Bank of Russia.

18.2. The results of the Bank activities shall be reflected in monthly, quarterly and annual balance sheets, quarterly report on financial results, and in annual financial statements to be submitted to the Bank of Russia.

The Bank shall timely submit to the tax and any other supervising authorities the balance sheets, the reports and any other information required to verify the Bank's calculation and payment of taxes and any mandatory non-tax payments, and timely pay taxes and make any mandatory non-tax payments as and when required by Russian laws.

While carrying out banking activities, the Bank shall submit its accounting (financial) statements to any other government bodies and/or organisations authorised by them in the cases, as and to the extent stipulated by Russian laws.

18.3. The Bank shall disclose information as and when required by Russian laws.

18.4. The Bank shall provide all available information required to compile credit histories for all borrowers to at least one credit bureau included in the state register of credit bureaux as provided for by the Federal Law "On Credit Histories".

18.5. In implementation of the governmental social, economic and tax policies, the Bank shall ensure safe keeping, proper maintenance, long retention and usage (i.e. issuing certificates as requested by legal entities or individuals) of its staff-related documents. The Bank's staff-related documents shall be transferred to the state custody as set forth by the Federal Archive Agency.

The scope and retention terms of the Bank's documents shall be determined as stipulated by the Federal Law "On Joint-Stock Companies", other federal laws and regulations of the Bank of Russia, as well as by the Schedules approved by the Federal Archive Agency.

The Bank's documents may only be destroyed upon verification of their normative retention term expiry by the Expert Committee and subject to duly made, cleared and approved certificates authorising destruction of documents not liable to permanent retention.

## **Article 19. BANK'S REORGANISATION AND LIQUIDATION**

19.1. The Bank's reorganisation or liquidation shall be carried out in accordance with Russian laws.

19.2. The Bank's reorganisation shall result in the transfer of all its rights and obligations to its legal successors in compliance with Russian laws. In case of the Bank's reorganisation, relevant amendments shall be made to the Credit Organisations State Registration Book, details of the reorganisation shall be entered into the Unified State Register of Legal Entities, and all the Bank's documents with non-expired storage term shall be delivered to its legal successor by a standard procedure.

19.3. The Bank of Russia may debar the Bank's reorganisation, if it would give rise to administering any bankruptcy preventing measures as stipulated by the Federal Law "On Insolvency (Bankruptcy)".

19.4. Upon its liquidation, the Bank shall cease to exist and none of its rights or obligations shall pass by way of universal succession to any other persons.

19.5. In case of termination of the Bank's operation by resolution of the General Shareholders' Meeting on its liquidation, the Bank shall file a petition with the Bank of Russia to cancel its banking license. Such petition is filed as required by regulations of the Bank of Russia.

19.6. The Bank's liquidation by the Bank of Russia shall be made judicially under the Federal Law "On Banks and Banking" and regulations of the Bank of Russia.

19.7. If the Bank's activities meet the insolvency (bankruptcy) criteria set out by the Federal Law "On Insolvency (Bankruptcy)", the Bank shall be subjected to the measures of financial rehabilitation, a temporary administration shall be instituted, the Bank's compulsory reorganisation

shall be made or it shall be declared bankrupt and shall be subject to liquidation under the Federal Law “On Insolvency (Bankruptcy)”.

19.8. The liquidation committee (receiver) must deliver records resulting from the Bank’s activity, with their retention periods specified, for custody as provided for by federal laws and other statutory acts of the Russian Federation in accordance with the list of records resulting from credit institutions’ activities as approved by the federal executive body competent over archives and records together with the Bank of Russia.

19.9. Any demands of the Bank’s creditors made in connection with the Bank’s liquidation shall be met as, and in the priority, set out by Russian laws.

Upon completion of settlements with the Bank’s creditors, the liquidation committee (the receiver) shall prepare the Bank’s liquidation balance sheet.

The Bank’s interim liquidation balance sheet and liquidation balance sheet shall be made, approved and filed with the Bank of Russia under Russian laws.

The Bank’s property left upon completion of settlements with creditors shall be distributed by the liquidation committee (the receiver) among the shareholders according to Russian laws.

19.10. The Bank’s liquidation shall be deemed completed and the Bank shall be deemed wound up once an authorised registering body enters a record to this effect into the Unified State Register of Legal Entities.

## **Article 20. AMENDING THE BANK’S CHARTER**

20.1. This Charter may be amended or approved in a new version by resolution of the General Shareholders’ Meeting in the manner and time provided for by Russian laws, except as provided for by this clause.

Any amendments hereto after a placement of the Bank’s additional shares, including any amendments increasing its charter capital, shall be made pursuant to a resolution to increase its charter capital by placing its additional shares or any other resolution of the General Shareholders’ Meeting or the Supervisory Board authorising placement of the Bank’s additional shares, and a relevant registered share issue closing report or, if no such report is required by the Federal Law “On Securities Market” for such placement, extracts from the register of credit institutions’ securities issues (additional issues) registered and/or cancelled by the Bank of Russia, suspended and/or resumed.

Any amendments hereto increasing (reducing) the par value of the Bank's shares, including any amendments increasing (reducing) its charter capital, consolidating or splitting its shares, shall be made pursuant to a resolution to increase (reduce) its charter capital by increasing (reducing) the par value of its shares, or to consolidate or split its shares adopted by the General Shareholders’ Meeting, and registered changes to the relevant share issue resolution, or, where so required by Russian insolvency (bankruptcy) laws, registered share issue closing report.

Any amendments hereto reducing the Bank’s charter capital upon acquisition of its shares for redemption shall be made pursuant to a resolution of the General Shareholders’ Meeting on such reduction and a share acquisition closing report approved by the Supervisory Board. Any amendments hereto reducing the Bank’s charter capital upon redemption of any treasury shares, where so provided for by the Federal Law “On Joint-Stock Companies”, shall be made pursuant to a resolution of the General Shareholders’ Meeting on such reduction and the share redemption report approved by the Supervisory Board. In such case, the Bank’s charter capital shall be reduced by the total par value of the shares redeemed.

20.2. Any amendments hereto shall be duly registered with the relevant state authority based on a resolution of the Bank of Russia.

20.3. Any amendments hereto or a new version hereof shall become effective for third parties upon their state registration.

Chairman of the Management Board  
of CREDIT BANK OF MOSCOW

[s]

N.V. Katorzhnov

Seal of the Bank