

APPROVED

by the Supervisory Board
of CREDIT BANK OF MOSCOW
June 24, 2014
(Minutes No.13 dated 24.06.2014)

DIVIDEND POLICY OF
CREDIT BANK OF MOSCOW
(open joint-stock company)

Article 1. General

- 1.1. This Dividend Policy of «CREDIT BANK OF MOSCOW» (open joint-stock company) (the “Bank”) has been developed pursuant to Russian law, the Bank’s Charter and recommendations of the Russian Corporate Governance Code (the “Code”).
- 1.2. This Policy has been approved in order to set out a dividend accrual and payment procedure transparent and understandable for the Bank’s shareholders and investors. Any matters related to the payment of dividends to the Bank’s shareholders that are not addressed by the Federal Law «On Joint-Stock Companies», other laws and regulations of the Russian Federation, the Charter and this Policy shall be dealt with so as to protect shareholders’ rights and lawful interests.
- 1.3. This Policy is adopted for the purpose of defining the Supervisory Board’s approach to recommending dividend size and payment procedure.

Article 2. Dividend policy principles

- 2.1. The Bank’s dividend policy is based on, and shall be implemented in accordance with, the following principles:
 - 2.1.1. equal treatment for holders of shares of the same class;
 - 2.1.2. balance between the Bank’s interests and those of its shareholders;
 - 2.1.3. decision to pay dividends to be taken on an annual basis;
 - 2.1.4. optimising the ratio between the distributed and capitalised portions of the Bank’s income so as to increase the market value of the Bank’s shares;
 - 2.1.5. capitalised income portion to support the Bank’s development priorities;
 - 2.1.6. dividends to be paid in cash.

Article 3. Declaration of dividends

- 3.1 The Bank may decide to pay dividends for any financial year and/or the first quarter, half year and/or nine months thereof, unless provided otherwise by the Federal Law «On Joint-Stock Companies».
- 3.2 Any decision to pay (declare) dividends, including any decision on dividend size and payment procedure for shares of each category (type) shall be taken by the General Shareholders’ Meeting based on the Supervisory Board’s recommendations.
- 3.3 The Bank must pay any declared dividends.
- 3.4 Any dividend payment for a financial year shall be first considered by the Supervisory Board’s Strategy and Capital Markets Committee based on the financial results and income allocation proposals of the Chairman of the Management Board.
- 3.5 The Supervisory Board shall recommend the dividend amount for any reporting year to the General Shareholders’ Meeting based on the following:
 - 3.5.1. the Bank’s after-tax RAS net income;

- 3.5.2. the Bank's business plans for the next reporting period;
- 3.5.3. the structure of the Bank's working capital at the end of the reporting period;
- 3.5.4. the Bank's leverage at the end of the reporting period;
- 3.5.5. the Bank's compliance with mandatory ratios promulgated by the Bank of Russia.
- 3.6 The Supervisory Board shall recommend the dividend amount to the General Shareholders' Meeting not later than the decision is made as to the date of such General Shareholders' Meeting and the date of making the list of persons entitled to participate therein.
- 3.7 Any decision to pay or not to pay dividends shall be passed by the General Shareholders' Meeting as a separate item of its agenda.
- 3.8 The Supervisory Board shall make any decision recommending the amount and payment procedure of annual dividends to the General Shareholders' Meeting at a meeting dedicated to preparations for the General Shareholders' Meeting.
- 3.9 Any decision to pay dividends shall specify:
 - 3.9.1. category and type of shares for which the dividends are declared;
 - 3.9.2. dividend amount per one share of the relevant categories and types;
 - 3.9.3. payment period;
 - 3.9.4. form of payment;
 - 3.9.5. payment procedure;
 - 3.9.6. dividend entitlement determination date;
 - 3.9.7. place of payment.
- 3.10 The Bank may not decide to pay (declare) any dividends in the following cases:
 - 3.10.1. before the Bank's charter capital is paid in full;
 - 3.10.2. before all shares required to be bought back under the Federal Law «On Joint-Stock Companies» are bought back;
 - 3.10.3. if it meets on the day of such decision, or would meet as a result of the payment of such dividends, the insolvency (bankruptcy) criteria under the insolvency (bankruptcy) legislation of the Russian Federation;
 - 3.10.4. if the value of its net assets on the day of such decision is, or would as a result of such decision become, less than its charter capital and reserve fund;
 - 3.10.5. in any other cases envisaged by law.

Article 4. Determination of dividend size and sources of funds applied to dividend payment.

- 4.1. Dividends shall be paid out of the Bank's net income and distributed among shareholders pro rata to the number of their shares of respective category and type.
- 4.2. The size of dividends on ordinary shares shall be determined on the basis of the Supervisory Board's recommendations and may not exceed the amount so recommended.

- 4.3. The dividend amount per one ordinary share is determined by dividing the total amount of dividends by the number of ordinary shares in the Bank eligible for dividends under applicable legislation
- 4.4. Dividends shall be declared net of any taxes applicable to shareholders.
- 4.5. The Supervisory Board should recommend dividend amounts taking into account the Bank's dividend history. It is desirable to ensure that the ratio of total dividends to net income in any year does not differ materially from that in the preceding reporting period.
- 4.6. The Supervisory Board shall recommend dividend amounts to the General Shareholders' Meeting so that at least 10% of the Bank's RAS net income is distributed thereby.
- 4.7. The dividend per share is determined by dividing the annual net income portion to be distributed subject to clause 4.6 hereof by the number of the Bank's shares placed and outstanding as of the date of making the list of persons entitled to dividends.

Article 5. Persons entitled to dividends

- 5.1. The list of persons entitled to dividends shall be made as of a date falling 10 (ten) to 20 (twenty) days of the relevant General Shareholders' Meeting deciding to pay dividends.
- 5.2. Such list shall include persons registered in the register keeping system (except for any nominees) and persons for whose account any nominees hold shares as at the date the list is made.
- 5.3. For the purpose of making the list of persons entitled to dividends, any nominee shall state the identity of the ultimate holders.
- 5.4. The Bank's shares represented by depositary receipts shall entitle the holders of the latter to dividends in full as set out in the relevant share issue resolution and the Bank's Charter.

Article 6. Payment of declared dividends

- 6.1. The Bank must pay any declared dividends to the persons registered in the Bank's share register within 25 (twenty five) business days or, if they are nominees or stock market professional participants acting as asset managers, 10 (ten) business days of the date as at which persons entitled to dividends are identified.
- 6.2. The Bank shall remain liable to pay any declared dividends that are not received by the relevant shareholders by the time set out in clause 6.1 hereof (unclaimed dividends) in accordance with the applicable legislation of the Russian Federation.
- 6.3. No interest shall accrue on any unclaimed dividends.
- 6.4. It is the Bank's obligation to pay any declared dividends. The Bank shall be liable to its shareholders for any failure to perform this obligation in accordance with the applicable legislation of the Russian Federation.
- 6.5. The Bank shall notify all of its shareholders of the time, form, place and procedure of any dividend payment by publishing the same as provided by the Bank's Charter for notifying shareholders of a General Shareholders' Meeting or by disclosing the same on the Bank's website at www.mkb.ru
- 6.6. The Bank may act as a tax agent in respect of any distributions paid to its shareholders where and as provided for by Russian law. The Bank shall assess, withhold, and remit to

the state budget, any tax on dividends in such manner and time as set out by the applicable legislation of the Russian Federation.

- 6.7. Any dividends shall be paid to shareholders net of applicable taxes and other statutory levies.
- 6.8. The Bank may not pay any declared dividends in the following cases:
 - 6.8.1. if it meets on the day of such payment, or would meet as a result of such payment, the insolvency (bankruptcy) criteria under the insolvency (bankruptcy) legislation of the Russian Federation;
 - 6.8.2. if the value of its net assets on the day of such payment is, or would as a result of such payment become, less than its charter capital and reserve fund;
 - 6.8.3. as otherwise provided for by Russian law.
- 6.9. When none of the above circumstances applies any longer, the Bank must pay the declared dividends to its shareholders within a reasonable period in accordance with Russian law.
- 6.10. Any matters related to the payment of dividends to the Bank's shareholders that are not addressed by the Federal Law «On Joint-Stock Companies», other laws and regulations of the Russian Federation, the Bank's Charter and this Policy shall be dealt with so as to protect shareholders' rights and lawful interests.

Article 7. Informing shareholders of the Bank's dividend policy

- 7.1. The Bank shall post its dividend policy and any amendments thereto on its website at www.mkb.ru
- 7.2. Materials provided to shareholders for making decisions at a General Shareholders' Meeting must contain evidence of whether or not prerequisites for dividend payment are satisfied.
- 7.3. The Bank's mandatory announcement of its decision to pay dividends must explicitly and clearly inform shareholders of their size and the time, way and form of their payment. Such announcement shall also explain to shareholders their responsibility to timely notify the Bank's registrar of any changes to their bank account details or mailing addresses, and consequences of their failure to fulfil responsibility.

Article 8. Conclusive provisions

- 8.1. This Policy is to be approved by the Supervisory Board's resolution taken by a majority of votes of its members participating in the meeting.
- 8.2. Any supplements or amendments may be made hereto by the Supervisory Board's resolution taken by a majority of votes of its members participating in the meeting or absentee voting.
- 8.3. If any articles hereof become inconsistent with applicable legislation of the Russian Federation or the Bank's Charter, such articles shall become void, and the matters regulated thereby shall be dealt with by reference to the applicable legislation of the Russian Federation and the Bank's Charter until this Policy is amended accordingly.