

[Seal of Central  
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Office (Moscow)]

RATIFIED

Deputy Head of Central Federal District Head  
Office (Moscow) of the Central Bank of the  
Russian Federation

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(personal signature)	(initials, surname)

31 January 2014

SEAL

**CHARTER**  
**of**  
**CREDIT BANK OF MOSCOW**  
**(open joint-stock company)**  
**CREDIT BANK OF MOSCOW**

Approved:  
by extraordinary General Shareholders' Meeting  
Minutes No. 06 dated December 30, 2013

Moscow Department of the  
Federal Tax Service of Russia

05 FEB 2014

*Y.A. Efremova, Senior State Tax Inspector of  
the Department of the Federal Tax Service of  
Russia for the City of Moscow*

Signature \_\_\_\_\_ [s]

[Seal of Moscow Department of the Federal Tax  
Service of Russia]

**City of Moscow**  
**2013**

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## Article 1. GENERAL PROVISIONS

1.1. CREDIT BANK OF MOSCOW (open 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 June 23, 1992 (minutes No. 3) under the name of Commercial Bank “Credit Bank of Moscow”.

By resolution of the Shareholders’ Meeting dated April 02, 1993 (minutes No. 10), the Bank was renamed Joint-Stock Commercial Bank “Credit Bank of Moscow”.

By resolution of the General Shareholders’ Meeting dated September 15, 1994 and January 25, 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 August 27, 1998 (minutes No. 11), its full name was restyled as COMMERCIAL BANK “CREDIT BANK OF MOSCOW” (Limited Liability Company) and a short name, CB “CREDIT BANK OF MOSCOW” LLC, was defined.

By resolution of the General Meeting dated April 20, 1999 (minutes No. 6), the Bank was reorganised by way of transformation into an open joint-stock company under the name of CREDIT BANK OF MOSCOW (open joint-stock company) CREDIT BANK OF MOSCOW that has succeeded thereto in respect of all liabilities owed to all of its creditors and by all of its debtors, including any contested liabilities.

1.2. This version of the Charter of the Bank is made in compliance with the Civil Code of the Russian Federation, the Federal Law “On Banks and Banking”, the Federal Law “On Joint-Stock Companies” and the Bank of Russia’s regulations all as currently in effect and was approved by an extraordinary General Shareholders’ Meeting (minutes No. 06 dated December 30, 2013).

1.3. The Bank’s Russian full brand name is «МОСКОВСКИЙ КРЕДИТНЫЙ БАНК» (открытое акционерное общество).

1.4. The Bank’s Russian short brand name is ОАО “МОСКОВСКИЙ КРЕДИТНЫЙ БАНК”.

1.5. The Bank’s English full brand name is CREDIT BANK OF MOSCOW (open joint-stock company).

1.6. The Bank’s English short brand name is CREDIT BANK OF MOSCOW.

1.7. The Bank shall have an exclusive right to use its brand name.

1.8. The Bank shall have a round seal quoting the Bank’s Russian full brand name, the Bank’s registered address and details of the Bank’s registration by the Central Bank of the Russian Federation and in the Register of Seals of the Moscow Registration Chamber, stamps and letterheads with its full brand name, its own logo, its registered trade mark and other means of visual identification necessary for the Bank’s operations.

1.9. The Bank forms part of the integral banking system of the Russian Federation and its activities are governed by the legislation of the Russian Federation, regulations of the Bank of Russia, and this Charter.

1.10. The Bank is a legal entity and has its own separate property on its independent balance sheet.

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

1.11. The Bank may, on its own behalf, acquire and exercise any property or personal non-property rights, assume obligations, sue and be sued.

1.12. The Bank’s shareholders may be legal entities and / or individuals.

1.13. The Bank’s shareholders shall not be liable for any obligations of the Bank and shall bear the risk of losses related to its activities within the value of their shares. Any shareholders who have not fully paid for their shares shall bear joint responsibility for the Bank’s obligations within the unpaid value of their shares.

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.

Any shareholders may dispose of their shares without consent of any other shareholders or the Bank.

1.14. 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 current laws of the Russian Federation and the respective foreign country.

1.15. 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 its subsidiaries and representative offices 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.

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

1.17. 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 the Bank's 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.

1.18. Any amendments to the Charter of the Bank made by resolution of the General Shareholders' Meeting or the Supervisory Board in accordance with the competence of the aforesaid bodies shall be registered by the relevant state authority under a resolution of the Central Bank of the Russian Federation.

1.19. Any amendments to the Charter of the Bank or any new version of the Charter shall be valid for the third persons upon their state registration.

## **Article 2. REGISTERED ADDRESS**

2.1. The Bank's registered address is 2 (bldg. 1), Lukov pereulok, Moscow, 107045.

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

3.1. The Bank shall open a correspondent account with the Central Bank of the Russian Federation to perform transactions and to deposit monies. The Bank may open correspondent accounts with any other banks.

3.2. The Bank may perform the following banking operations:

3.2.1. To attract monies of legal entities and individuals in deposits (demand and time);

3.2.2. To allocate any attracted monies mentioned in sub-clause 3.2.1. hereof on its behalf and for its own account;

3.2.3. To open and maintain accounts of legal entities and individuals;

3.2.4. To make money transfers on instructions of individuals and legal entities, including correspondent banks, through their accounts.

3.2.5. To collect money, bills, payment and settlement instruments and to render cashier services to individuals and legal entities;

3.2.6. To purchase and sell foreign currency in cash and on a clearing basis;

3.2.7. To attract in deposits and allocate precious metals;

3.2.8. To issue bank guarantees;

3.2.9. To make non-account money (including electronic money) transfers (except postal money orders);

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

3.3.1. To issue sureties for payment claims against any third parties;

3.3.2. To acquire payment claims against any third parties;

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

3.3.4. To deal with precious metals and gems in compliance with the legislation of the Russian Federation;

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

3.3.6. To make leasing transactions;

3.3.7. To render consulting and information services.

3.4. The Bank may make any other transactions under the laws of the Russian Federation.

All the banking operations and transactions listed in clauses 3.2 and 3.3 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.

3.5. Under the banking license of the Bank of Russia, the Bank may issue, sell, purchase, 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.

3.6. The Bank may not carry out any industrial, trading or insurance activities.

3.7. The Bank may, subject to a special bidding contract, fulfil certain assignments of the Government of the Russian Federation, the executive authorities of the federates of the Russian Federation and local authorities; to operate with funds of the federal budget, the budgets of the federates of the Russian Federation and local budgets and to make settlements with them; to procure targeted application of budget funds allotted in implementation of federal and regional programs.

#### **Article 4. CREDIT RESOURCES OF THE BANK**

4.1. The Bank's credit resources shall be formed by:

– the Bank's equity (except the value of any acquired fixed assets, any investments in equity or securities of any other banks or organisations, and any immobilized assets);

– funds of legal entities on their accounts with the Bank, including any funds attracted in the form of deposits;

– private time and demand deposits;

– borrowings from other banks;

– other borrowed funds.

4.2. The Bank's income retained during a fiscal year may be used as a credit resource.

**Article 5. SECURING CUSTOMERS' INTERESTS  
BANKING AND COMMERCIAL SECRECY**

5.1. 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 the current legislation of the Russian Federation 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 the current legislation of the Russian Federation 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.

5.2. 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.

5.3. The Bank shall deposit, pursuant to the current legislation of the Russian Federation 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.

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

5.5. 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 the transactions, accounts and deposits of the Bank's customers and correspondents, unless otherwise required by federal laws.

5.6. Statements of transactions and accounts of legal entities, private entrepreneurs and individuals shall be issued by the Bank in such manner and within such time as set out by the effective legislation of the Russian Federation. 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.

5.7. Transactions of legal entities, individual entrepreneurs and physical persons shall be reported by the Bank to the financial intelligence unit when, as and to the extent required by the Federal Law "On Anti-Money Laundering and Combating Financing of Terrorism".

5.8. The list of information treated as commercial secret of the Bank shall be determined by the Management Board as required by the effective legislation of the Russian Federation.

5.9. 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.

**Article 6. CHARTER CAPITAL. PROPERTY OF THE BANK**

6.1. The Bank's charter capital shall be formed in the amount of 14,467,761,735 (Fourteen million four hundred sixty seven million seven hundred sixty one thousand seven hundred thirty five) roubles and divided into 14,467,761,735 (Fourteen million four hundred sixty seven million seven hundred sixty one thousand seven hundred thirty five) ordinary registered 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. The Bank's charter capital represents the minimum of the Bank's property to which its creditors have recourse.

6.2. The following may not be used to form the Bank's charter capital:

- borrowed monies;
- securities;
- intangibles;
- federal budget and governmental off-budget funds, free funds and other property at the disposal of federal authorities, except as provided for by federal laws.

Budget funds of the political subdivisions of the Russian Federation, local budget funds, free funds and other property at the disposal of state authorities of the political subdivisions of the Russian Federation and local governments may be used to form Bank's charter capital under a legislative act of a political subdivision of the Russian Federation or resolution of any local government as envisaged by federal laws.

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

A resolution on increasing 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 on increasing the Bank's charter capital by public placement of additional shares within the number and classes (types) of the authorised shares shall be adopted unanimously by all members of the Supervisory Board, with the votes of any retired members thereof being disregarded, except as follows. Any resolution on increasing the Bank's charter capital by public placement of additional ordinary shares in excess of 25% of the ordinary shares placed theretofore may only be passed at the General Shareholders' Meeting by a majority of not less than three quarters of the votes of the voting shareholders participating therein.

A resolution on increasing the Bank's charter capital by private placement of additional shares shall only be passed at the General Shareholders' Meeting by a majority of not less than three quarters of the votes of the voting shareholders participating therein.

Additional shares may only be placed by the Bank within the number of the authorised shares as set out in this Charter.

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

Any resolution on increasing 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 their placement; the price of any additional shares to be placed by subscription or its determination procedure (in particular where any pre-emptive rights to acquire any additional shares are to be exercised), 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.

Any amendments to this Charter reflecting any placement of the Bank's shares, including any amendments related to an increase of the Bank's charter capital, shall be made pursuant to a resolution of the General Shareholders' Meeting or the Supervisory Board on the increase of the

Bank's charter capital, or any other resolution authorising placement of additional shares and emission securities convertible to shares, and a registered report on the results of the shares issue. In case of increasing the charter capital by placing additional shares, the charter capital shall be increased by the total of par value of the additional shares placed, and the number of authorised shares of certain classes and types shall be decreased by the number of the additional shares of the same classes and types placed.

6.4. The Bank's charter capital may be reduced by decreasing the par value of the shares placed or by the Bank's acquisition of any part of the shares placed for the purpose of decreasing their total number, and by redeeming any shares acquired or repurchased by the Bank in compliance with the current legislation of the Russian Federation.

A resolution on reducing the Bank's charter capital by decreasing the par value of the Bank's shares placed or by redeeming any shares acquired or repurchased by the Bank shall be passed at the General Shareholders' Meeting by a majority of the votes of the shareholders who hold voting shares and take part in the General Shareholders' Meeting. A resolution on reducing the Bank's charter capital by acquiring the Bank's shares for the purpose of decreasing their total number shall be passed at the General Shareholders' Meeting 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.

Any amendments to the Charter of the Bank related to any reduction of the Bank's charter capital by acquiring the Bank's shares for the purpose of their redemption shall be made pursuant to a resolution of the General Shareholders' Meeting on such reduction and a report on the results of the shares acquisition approved by the Supervisory Board. In this case the Bank's charter capital shall be reduced by the total par value of the shares redeemed.

Any amendments to this Charter related to reducing the Bank's charter capital by decreasing the par value of the shares placed shall be made pursuant to a resolution of the General Shareholders' Meeting on such reduction by way of placing shares of lesser par value by converting the previously placed shares into them, and pursuant to a registered share issue report.

Any amendments to this Charter related to reducing the Bank's charter capital by redeeming any shares acquired or repurchased by the Bank in compliance with the legislation of the Russian Federation shall be made pursuant to 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.

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 notification or notice of any such resolution to reduce the charter capital shall specify:

- the Bank's full and short 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 12 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 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 the effective legislation of the Russian Federation, if such shares have been acquired or repurchased by resolution of an authorised body of the Bank and have not been sold within one year thereof.

6.5. 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.

The Bank may not reduce its charter capital, if such reduction would result in the Bank's charter capital being less than the minimum determined under the effective legislation of the Russian Federation as of the date of filing documents for state registration of the respective amendments to the Charter of the Bank or, if the Bank must reduce the charter capital on the grounds stipulated by the effective legislation of the Russian Federation, the date of state registration of the Bank.

6.6. Any acquisition and / or receiving in trusteeship (an "acquisition"), in one or more transactions, by any legal entity or individual or a group of legal entities and / or individuals acting under an agreement or a group of legal entities being subsidiaries or affiliates of each other, of more than 1 percent of the Bank's shares is required to be notified to, and of more than 20 percent is subject to the prior consent of, the Bank of Russia.

## **Article 7. SHARES AND OTHER EMISSION SECURITIES OF THE BANK**

7.1. All the shares of the Bank shall be registered shares.

7.2. The shares shall be issued in an uncertified form.

7.3. The number of ordinary registered shares of the Bank acquired by shareholders (placed shares) is 14,467,761,735 (Fourteen million four hundred sixty seven million seven hundred sixty one thousand seven hundred thirty five) of 1 (One) rouble par value each in a total of 14,467,761,735 (Fourteen million four hundred sixty seven million seven hundred sixty one thousand seven hundred thirty five) roubles.

7.4. The number of authorised ordinary registered shares that may be placed by the Bank in addition to the placed shares is 21,808,396,273 (Twenty one billion eight hundred eight million three hundred ninety six thousand twenty seventy three) of 1 (One) rouble par value each in a total of 21,808,396,273 (Twenty one billion eight hundred eight million three hundred ninety six thousand twenty seventy three) roubles.

7.5. The Bank may issue bonds and any other emission securities in compliance with the current legislation of the Russian Federation.

7.6. A bond of the Bank certifies its holder's right to demand redemption thereof, i.e. payment of its par value or its par value and interest accrued in due time.

7.7. The par value of any bond, its type (registered or bearer), the form of issue (certified or uncertified), maturity (bullet or instalments by series at certain periods), the form of repayment (money or other property), type of collateral (indicating specific property), the convertibility, early redemption option and other terms and conditions shall be set out in each specific resolution on bond issuance.

7.8. Any lost registered bond shall be replaced for a charge determined by the Management Board. Any lost bearer bond shall be replaced through judicial proceedings.

7.9. The Bank shall place shares and other emission securities in compliance with statutory acts of the Russian Federation.

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

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

7.12. Any placement of additional shares of the Bank must be completed within one year of state registration of the issue (additional issue) thereof.

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

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

7.15. 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 not later than the share placement starts.

7.16. 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%.

7.17. 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 the effective legislation of the Russian Federation.

7.18. 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.

7.19. The Bank may acquire any shares placed by it pursuant to the current legislation of the Russian Federation. The Bank's shares acquired by the Bank pursuant to the current legislation of the Russian Federation shall grant no voting right, be disregarded in any counting of votes and be ex-dividend. Such shares must be sold at their market value within one year of their acquisition by the Bank. If not, the General Shareholders' Meeting must pass a resolution on reducing the Bank's charter capital by redemption of the said shares in a standard procedure.

7.20. The Bank may only place any bonds after its charter capital has been fully paid as stipulated by the effective legislation of the Russian Federation.

7.21. 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.

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

7.23. Any private placement of the Bank's emission securities convertible into shares may only be made under a relevant 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.

7.24. Any public placement of the Bank's common stock convertible emission securities convertible into ordinary shares exceeding 25% 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 8. THE RIGHTS OF THE BANK'S SHAREHOLDERS**

8.1. Each ordinary share of the Bank shall equally entitle its holder. Any of the Bank's ordinary shares shall entitle its holder to take part in the General Shareholders' Meeting with a voting right (one vote per one share) with respect to any matters on the agenda of such meeting, and to participate in any distribution of the Bank's after tax income (net income) determined by reference to the Bank's accounting statements.

8.2. Ordinary shareholders shall be entitled to:

- participate in the General Shareholders' Meeting with a voting right with respect to any matters within its competence;
- receive dividends;

– receive a part of the Bank’s property in case of its liquidation.

8.3. 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 Bank is to be reorganised or makes a major transaction requiring the Bank’s General Shareholders’ Meeting’s approval under clause 3 of article 79 of the Federal Law “On Joint-Stock Companies”, if they voted against the resolution authorising the reorganisation or approving such transaction or did not participate in the voting on those issues;

- 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 Bank’s General Shareholders’ Meeting makes a resolution to apply for delisting of the Bank’s shares and/or emission securities convertible therein, if they voted against such resolution or did not participate in the voting.

- other cases stipulated by the effective legislation of the Russian Federation.

8.4. The Bank’s shareholders have a right of first refusal to acquire any publicly placed additional shares or emission securities convertible to shares *pro rata* to the number of the shares of this class (type) held by them.

The Bank’s shareholders who voted against, or did not vote on, a private placement of shares or emission securities convertible to shares have a right of first refusal to acquire any such additional shares or emission securities *pro rata* to the number of the shares of this class (type) held by them. Such right does not apply to any private placement of shares or any other 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.

8.5. A list of the holders of right of first refusal to acquire additional shares and emission securities convertible to shares is made by the Bank by reference to the shareholder register as of the date of passing of a resolution on placement thereof.

Any persons on such list shall exercise their right of first refusal to acquire shares or emission securities convertible to shares as set out by the Federal Law “On Joint-Stock Companies”.

8.6. Any shareholder of the Bank may sell or otherwise transfer the rights to the shares of the Bank held by such shareholder without other shareholders’ consent. Any disposal may only concern fully paid shares for which an issuance report has been registered by the Bank of Russia.

8.7. Any transfer of the rights to the shares of the Bank shall be made as required by the current legislation of the Russian Federation.

## **Article 9. THE BANK’S SHAREHOLDER REGISTER.**

### **THE BANK’S SHAREHOLDERS REGISTRATION PROCEDURE**

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

The Bank’s shareholder register shall specify details of, and the number and classes (types) of the shares held by, each registered person and any other details required by statutory acts of the Russian Federation, as well as any changes in the Bank’s shares movement.

9.2. In case the number of the Bank’s shareholders exceeds 50 (Fifty), the Bank shall entrust the Bank’s shareholder register to, and authorise to do all acts to maintain and keep the same, a professional registrar. However, the Bank shall not be discharged from the liability for maintenance and keeping of the register.

9.3. Any person registered in the Bank’s shareholder register shall, within 10 days, notify the Bank, as specified by the Bank, of any changes to the relevant details entered to the Bank’s shareholder register (including any changes to the registered address or residence). If any

shareholder fails to notify the Bank of any changes to the relevant details entered to the Bank's shareholder register, the Bank shall not be responsible for any resulting loss to such shareholder.

9.4. Any shareholder registration shall be reflected by a relevant record in the Bank's shareholder register.

9.5. Any record in the Bank's shareholder register requested by a shareholder or a nominee shall be made within three days of presenting of the necessary supporting documents or within a shorter period if so required by legislative acts of the Russian Federation.

9.6. The Bank may refuse any shareholder to include the details of, and of the shares held by, such shareholder into the Bank's shareholder register where and as set forth by normative acts of the Federal Commission for the Securities Market. Any refusal to make any such record in the Bank's shareholder register may be appealed in a court.

9.7. The rights of holders of ordinary registered uncertified shares of the Bank shall be certified by, if a shareholder register is kept, relevant entries to personal accounts with the keeper of the register or, if the rights to securities are recorded at a depository, by entries to custody accounts at the depository.

The right to any ordinary registered uncertified share of the Bank shall be transferred to the acquirer upon making a credit entry to the acquirer's personal account in the shareholder register (in case the rights to shares are recorded in a register) or upon making a credit entry to the acquirer's custody account (in case the rights to shares are recorded at a depository).

The rights attached to any ordinary registered uncertified share of the Bank shall be transferred to its acquirer upon transfer of the rights to such share.

Any transfer of rights attached to a ordinary registered uncertified share of the Bank shall be notified to the keeper of the register, the depository or the nominee.

9.8. If so requested by a shareholder or a nominee, the Bank shall confirm such shareholder's or nominee's rights to shares by issuing an extract from the Bank's shareholder register. Such extract shall not constitute a security, but shall confirm the rights of the person named therein to a certain number of the Bank's shares.

#### **Article 10. THE BANK'S INCOME DISTRIBUTION PROCEDURE**

10.1. The Bank shall have full economic independence as to distribution of any after-tax income (net income).

10.2. Any income calculated under the current legislation of the Russian Federation and disposable by the Bank after payment of all taxes due (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.

10.3. Based on results of its operations in the first quarter, half-year, nine months of a fiscal year and / or results of a fiscal 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 nine months of a fiscal year may be taken within 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, the procedure for paying any in-kind dividends, 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.

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

10.5. 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 legislation of the Russian Federation;

– if the Bank meets on the day of such decision, or would upon payment of dividends meet, the insolvency (bankruptcy) criteria under the effective insolvency (bankruptcy) legislation of the Russian Federation;

– if on the day of such decision the value of the Bank's equity (capital) is, or would as a result of such decision 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 the insolvency (bankruptcy) legislation of the Russian Federation

– 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.

No interest shall accrue on any unpaid or non-received dividends.

### **Article 11. FUNDS OF THE BANK AND RETAINED INCOME**

11.1. The Bank shall form a reserve fund pursuant to the current legislation of the Russian Federation.

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 percent of its charter capital. Until the required amount of the reserve fund is achieved, the Bank shall allocate at least 5 percent of the annual net income to the said fund.

11.2. The Bank may form other funds under the legislation of the Russian Federation. Formation and application of any such funds shall be governed by approved regulations thereon.

11.3. 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 the legislation of the Russian Federation.

### **Article 12. MANAGEMENT OF THE BANK**

12.1. The Bank shall be managed by:

– the General Shareholders' Meeting;

– the Supervisory Board;

– the Chairman of the Management Board (the sole executive body);

– the Management Board (a collective executive body).

12.2. 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 the effective legislation of the Russian Federation.

12.3. The Bank's Chairman of the Management Board, his deputies (First Deputy Chairmen of the Management Board, Deputy Chairmen of the Management Board), members of the Management Board and the Chief Accountant and Deputy Chief Accountants of the Bank may not hold any offices in any other entities being credit or insurance or clearing organisations, stock market professional participants, commodities and/or financial markets trading facilities, as well as joint-stock investment funds, designated depositories for investment funds, non-governmental pension funds, organisations engaged in providing or insuring pensions or in managing investment funds, joint-stock investment funds, unit investment funds or non-governmental pension funds, leasing companies or affiliates of the Bank, or act as unincorporated entrepreneurs.

The Chairman of the Management Board, his deputies (First Deputy Chairmen 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.

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

12.5. The provisions of labour laws of the Russian Federation 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".

## **GENERAL SHAREHOLDERS' MEETING**

12.6. The supreme authority of the Bank shall be its General Shareholders' Meeting which shall determine objectives and development strategy of the Bank, and decide on the matters reserved to its competence by federal laws and this Charter.

12.7. Every year the Bank shall hold an annual General Shareholders' Meeting.

12.8. Any General Shareholders' Meetings, held other than annually, shall be extraordinary. The General Shareholders' Meetings shall be held in Moscow.

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

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

12.9.1. 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.

12.9.2. Reorganising the Bank.

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

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

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

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

12.9.7. Increasing the Bank's charter capital by placing additional shares except as otherwise reserved to the Supervisory Board under the effective legislation of the Russian Federation and this Charter.

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

12.9.9. Placing publicly the Bank's emission securities convertible to ordinary shares in excess of 25% of the earlier placed ordinary shares.

12.9.10. 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 the effective legislation of the Russian Federation, and by redeeming any shares taken out or repurchased by the Bank.

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

12.9.12. Approving the auditors firm of the Bank.

12.9.13. Approving the Bank's annual reports and annual accounting statements, including its income statements (profit and loss accounts), and allocating any income including payment (declaring) of dividends (other than any income distributed as dividends for the first quarter, half-year or nine months of a fiscal year) or loss of the Bank for a fiscal year.

12.9.14. Paying (declaring) dividends for the first quarter, half-year or nine months of a fiscal year.

12.9.15. Setting out regulations for holding the General Shareholders' Meeting.

12.9.16. Electing, and removing before term, members of the counting commission or any person acting in its capacity.

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

12.9.18. Approving any interested party transactions where so required by the current legislation of the Russian Federation.

12.9.19. Approving any major transactions where so required by the current legislation of the Russian Federation.

12.9.20. Taking out any placed shares of the Bank in case of reducing the charter capital by redeeming a part of its shares to reduce their total number pursuant to the current legislation of the Russian Federation.

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

12.9.22. Approving bylaws for the Bank's management bodies.

12.9.23. Resolving to apply for delisting of the Bank's shares and/or emission securities convertible therein. Any such resolution shall become effective provided that the total number of shares presented for buy-back does not exceed the number of shares that may be bought back by the Bank under restrictions imposed by the Federal Law "On Joint-Stock Companies";

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

12.10. 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".

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

12.12. Any resolution on the matters set out in clauses 12.9.1-12.9.3, 12.9.5, 12.9.7-12.9.9, 12.9.20 and 12.9.23 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 any other matters set out in clause 12.9 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".

12.13. Any resolution on the matters set out in clauses 12.9.2, 12.9.6-12.9.7 and 12.9.17-12.9.22 shall only be passed by the General Shareholders' Meeting if proposed by the Supervisory Board.

*Provisions for Arranging General Shareholders' Meetings*

12.14. Each annual General Shareholders' Meeting shall be convened by the Supervisory Board not earlier than two months and not later than six months after the end of a fiscal year. The fiscal year of the Bank shall begin on 1 January and end on 31 December.

12.15. A list of persons entitled to participate in the General Shareholders' Meeting shall be made by reference to the Bank's shareholder register as of a date specified by the Supervisory Board. Such list of persons shall specify the following: name of each such person; their identification details; number and class (type) of shares entitling them to vote; their postal address in the Russian Federation for notice of the General Shareholders' Meeting to be held.

12.16. The date of making the list of persons entitled to participate in a General Shareholders' Meeting may not precede the date of the decision to call, or fall more than 50 days before the date of, that General Shareholders' Meeting.

If the proposed agenda of an extraordinary General Shareholders' Meeting includes election of members of the Supervisory Board, the date of making the list of persons entitled to participate therein may not precede the date of the decision to call, or fall more than 85 days before the date of, that General Shareholders' Meeting.

12.17. The agenda, date, place and time of, the procedure for notification of persons entitled to participate in, and the list of information (materials) to be delivered to them prior to, the General Shareholders' Meeting shall be determined by the Supervisory Board as required by the legislation of the Russian Federation.

12.18. Any persons entitled to participate in the General Shareholders' Meeting may check all necessary information (materials) for the General Shareholders' Meeting in the Bank's premises within 20 days or, if the agenda thereof includes reorganisation of the Bank, 30 days before the date of the General Shareholders' Meeting.

Any person entitled to participate in the General Shareholders' Meeting may receive copies of any documents prepared for the General Shareholders' Meeting.

12.19. The Bank shall notify those named in the list of persons entitled to participate in a General Shareholders' Meeting about calling thereof in writing by registered mail or by personal delivery of notices to their authorised representatives with acknowledgement at least 30 days before the date thereof.

If the agenda of an extraordinary General Shareholders' Meeting includes election of members of the Supervisory Board and reorganisation of the Bank, the Bank shall notify those named in the list of persons entitled to participate therein about calling thereof not later than 70 days before the date thereof.

The ballot shall be sent or delivered against signature to each of those named in the list of persons entitled to participate in the relevant General Shareholders' Meeting at least 20 days before the date thereof.

12.20. Any shareholder(s) aggregating at least 2% of the voting shares of the Bank may, within 30 days of the end of a fiscal year of the Bank, propose issues for the agenda of the annual General Shareholders' Meeting and nominate candidates to the Supervisory Board, Audit Panel and Counting commission, 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% 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 days before the date the extraordinary General Shareholders' Meeting.

Any proposals as to issues to be included in the agenda of a General Shareholders' Meeting or as to nomination of candidates shall be in writing and specify the name(s), the number and class (type) of the shares owned by, and shall be signed by, the relevant shareholder(s). Such proposals shall contain any other details required by the effective legislation of the Russian Federation.



12.21. The Supervisory Board shall be obligated to consider 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 refusal by the Supervisory Board to include an issue proposed by shareholder(s) in the agenda of a General Shareholders' Meeting or to include a candidate in the voting list shall be notified to the relevant shareholder(s) with a motivation therefor within three days of such refusal.

12.22. 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.

12.23. 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.

Further to or failing any issues proposed to be included in the agenda of any General Shareholders' Meeting, or failing sufficient number of candidates nominated by the shareholders for any authority, the Supervisory Board may at its discretion include issues in the agenda of the General Shareholders' Meeting or candidates in the list of candidates.

12.24. Any shareholder of the Bank may vote in person or by proxy subject to a power of attorney being executed as required by the current legislation of the Russian Federation. 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.

12.25. A General Shareholders' Meeting shall be valid (shall have a quorum), if by the end of the registration for participation therein shareholders (or representatives of shareholders) holding more than half of the votes of the placed voting shares of the Bank have registered.

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 two days before the date thereof. A General Shareholders' Meeting held by absentee voting shall be deemed attended by any shareholders whose ballots were received before the ending date for receipt of ballots fixed pursuant to the effective legislation of the Russian Federation.

12.26. Issues on the agenda of any General Shareholders' Meeting shall be voted based on "One voting share of the Bank is one vote" principle, except as stipulated by the effective legislation of the Russian Federation.

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.

12.27. Any resolutions passed by, and results of any vote on the issues of the agenda of, any General Shareholders' Meeting shall be announced thereat or notified to those included in the list of persons entitled to participate therein as and when required by the effective legislation of the Russian Federation.

12.28. Any shareholder whose rights and lawful interests are affected by a resolution of a General Shareholders' Meeting and who did not participate therein or voted against such resolution may contest it in a court. Such contestation may be filed within three months of the day such shareholder became or should have become aware of such resolution.

12.29. Any resolutions on the items of agenda of any General Shareholders' Meeting, other than electing members to the Supervisory Board or Audit Panel, approving the auditor of the Bank, approving the annual reports and annual accounting statements including its income statements (profit and loss accounts), and distributing any income (including paying (declaring) dividends other than any income distributed as dividends for the first quarter, half-year or nine months of a fiscal year) or loss of the Bank for a fiscal 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).

12.30. 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.

*Procedure for organising an Extraordinary General Shareholders' Meeting*

12.31. 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 auditor of the Bank or any shareholder(s) aggregating at least 10% of the voting shares of the Bank as of the date of such request. Any extraordinary General Shareholders' Meeting shall be convened by the Supervisory Board.

12.32. Any extraordinary General Shareholders' Meeting requested by the Audit Panel, the auditor of the Bank or any shareholder(s) aggregating at least 10% of the voting shares of the Bank must be held within 40 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 70 days of such request.

12.33. 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.

12.34. If, pursuant to a judgment made as set out in clause 12.33 hereof, an extraordinary General Shareholders' Meeting is held by the plaintiff, the cost of preparation and holding thereof may be reimbursed by resolution thereof at the expense of the Bank.

**SUPERVISORY BOARD**

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

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

12.36.1. Setting priority activities for the Bank.

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

12.36.3. Approving the agenda of General Shareholders' Meetings.

12.36.4. Setting the date of making the list of persons entitled to participate in a General Shareholders' Meeting, 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.

12.36.5. 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 clause 6.3 hereof.

12.36.6. Placing additional shares by way of conversion of the Bank's preferred shares of a certain type convertible into ordinary shares or preferred shares of other types, if such placement is not related to an increase of the Bank's charter capital.

Resolving to place bonds and other emission securities of the Bank as permitted by the legislation of the Russian Federation, 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.

12.36.7. Appraising monetary value of property, determining the placement price, or a procedure for determination thereof, and buy-back price of the Bank's emission securities where provided for by the legislation of the Russian Federation.

12.36.8. 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 the legislation of the Russian Federation.

12.36.9. 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.

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

12.36.11. Resolving to file requests with the Bank of Russia's regional agencies to approve candidacies of the Chairman of the Management Board, his Deputies, and members of the Management Board.

12.36.12. Recommending to the General Shareholders' Meeting the amount of remunerations and compensations for the members of the Audit Panel and determining the amount of fees for the services of the auditors firm.

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

12.36.14. Approving bylaws of the Bank, 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.

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

12.36.16. Setting up and dissolving branches and representative offices of the Bank, and amending this Charter accordingly.

12.36.17. Approving interested party transactions where required by the effective legislation of the Russian Federation.

12.36.18. Approving major transactions where required by the effective legislation of the Russian Federation.

Major transactions may only be approved by a unanimous resolution of the Supervisory Board.

12.36.19. Appointing, removing, and approving the amount and conditions of remuneration for, the Head of Internal Audit and Control Division, approving the regulations on, considering and approving performance reports of, and approving working plans of, the Internal Audit and Control Division, and exercising any other powers related to organisation of internal control in the Bank set out in Article 14 hereof.

12.36.20. Resolving to appoint and remove the Corporate Secretary, and approving the Regulation on the Bank's Corporate Secretary.

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

12.36.22. Approving resolutions to issue securities, prospectuses and buy-back closing reports.

12.36.23. Approving the Bank's business plan for a year or a longer period and / or the annual budget or any material amendments to any of them.

12.36.24. 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 per cent 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 hereof according to the International Financial Reporting Standard (IFRS) IAS 24 (Related Party Disclosure)).

12.36.25. Authorising any arrangement for the acquisition or disposal by the Bank of shares or other stock in legal entities and organizations where the consideration payable by or due to the Company exceeds 20 per cent of the Capital, whether in one or a series of transactions.

12.36.26. 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 per cent of the Capital (excluding any such disposals contemplated in the annual budget of the Bank).

12.36.27. Approving any actions to be taken by the Bank (other than those contemplated in the annual budget of the Bank) whereby the Bank incurs any obligations to pay amounts exceeding in aggregate 20 per cent of the Capital in any financial year.

12.36.28. 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 hereof, a joint venture is defined in accordance with the International Financial Reporting Standards (IFRS)).

12.36.29. 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 Disclosure), indirectly controlled by the Bank and representing more than 50 per cent 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 per cent of the capital of or voting shares in such company or related party.

12.36.30. 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 per cent of the Capital.

12.36.31. 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.

12.36.32. 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.

12.36.33. Creating specific committees of the Supervisory Board: the strategic and finance committee, the audit committee (which shall, amongst other, supervise the Bank'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 determine the membership of the said committees, provided that the Strategic and Finance Committee, the Audit and Risk Committee and the Corporate Governance, Nominations and Compensation Committee must have at least one member who is an independent director of the Bank and no members who are not members of the Supervisory Board.

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 12.43 - 12.45 hereof, unless required otherwise by the nature of the activity of any such committees.

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

Reviewing and approving reports and the Bank's policy documents in respect of insider information access procedure, its confidentiality rules and control over compliance with statutory insider information requirements;

12.36.35. Approving the Bank's risk and capital management strategy, in particular with respect to ensuring adequate capital and liquidity to cover risks both for the Bank in whole and for individual lines of its business, and also approving, and controlling the fulfilment of, a process for managing the Bank's most critical risks;

12.36.36. Approving a process for applying banking risk management methods and quantitative risk evaluation models, including evaluation of the Bank's assets, liabilities and off-balance claims and liabilities, and stress testing scenarios and results;

12.36.37. Based on the Internal Audit and Control Division's reports, appraising the compliance by the Chairman of the Management Board and the Management Board with strategies and procedures approved by the Supervisory Board;

12.36.38. Deciding on Supervisory Board members' duties, in particular creating board committees, appraising its own performance and presenting results to the General Shareholders' Meeting;

12.36.39. Approving the Bank's HR policy in accordance with applicable legislation of the Russian Federation;

12.36.40. Applying for listing of the Bank's shares and/or convertibles;

12.36.41. Any other matters contemplated by this Charter and the effective legislation of the Russian Federation.

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

12.37. 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.

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

The 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.

The Supervisory Board members may only be natural persons.

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. The Chairman of the Management Board may not be the Chairman of the Supervisory Board.

It is permitted to elect independent directors of the Bank to the Supervisory Board.

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 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% 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 years, any additional payments 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 (share) of any such independent director's total 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 years, employed by or affiliated with an auditor of the Bank 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%) 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.

Starting from the date of approval of the annual report of the Bank for 2012, those who have been independent directors of the Bank 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 independent directors of the Bank if elected to the Supervisory Board by the annual General Shareholders' Meeting which approves the given annual report of the Bank, shall be identified therein.

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

12.39. 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 one of the members of the Supervisory Board by resolution of the Supervisory Board.

12.40. 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 auditors firm, the Management Board or the Chairman of the Management Board.

12.41. The procedure for calling and holding meetings of the Supervisory Board shall be stipulated by the Bank's bylaws.

12.42. 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 15 (Fifteen) days in advance of such meeting.

The requirement of the foregoing paragraph shall not apply where the Supervisory Board is required to make a decision within its competence in circumstances in which the foregoing requirement cannot be observed, such notice requirements may be waived with the unanimous

written approval of all Directors, provided that the Supervisory Board members have unanimously waived such requirement.

Each member of the Supervisory Board may participate in any Supervisory Board meeting held by way of physical presence 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. Each Supervisory Board meeting shall confirm the date of the next Supervisory Board meeting as per the schedule of Supervisory Board meetings or fix another date of the next Supervisory Board meeting.

12.43. The quorum for any (including any adjourned) meeting of the Supervisory Board shall be a majority of the elected members thereof.

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.

12.44. 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.

Each member of the Supervisory Board shall have one vote. No transfer of vote from one member of the Supervisory Board to another shall be permitted.

### **CHAIRMAN OF THE MANAGEMENT BOARD**

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

12.46. 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:

- 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;
- dispose of the Bank's property to the extent permitted by the effective legislation of the Russian Federation;
- open correspondent and any other accounts with other banks including foreign banks;
- ensure accounting and reporting in the Bank, and compliance of banking operations with the effective legislation of the Russian Federation, and be liable for the performance of the said duties imposed on him by federal laws;
- approve the Bank's staff chart, hire and dismiss employees of the Bank (as well as appoint and dismiss the Chief Accountant, grant incentives to and impose sanctions on the Bank's staff under the effective legislation of the Russian Federation);
- issue orders and directions binding on all of the Bank's employees on any issues of the Bank's activities;
- issue powers of attorney to the Bank's employees, whether sub-delegable or not;
- exercise powers related to organisation of internal control in the Bank defined in Article 14 hereof;

- sets the coupon rate for (coupon income on) any bonds of the Bank;
- approves securities issue completion reports;
- resolve any other issues arising out of the current activities of the Bank.

12.47. 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 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 legislation of the Russian Federation.

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

12.49. 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 the civil laws of the Russian Federation.

12.50. The Chairman of the Management Board shall be responsible for organising the Bank's internal control for anti-money laundering and combating financing of terrorism under the effective legislation of the Russian Federation.

## **MANAGEMENT BOARD**

12.51. 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.

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 the number of the Management Board's members falls below a half of the number needed for such quorum, the Supervisory Board shall approve a new membership of the Management Board.

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

- ensuring implementation of any resolutions of the General Shareholders' Meeting and the Supervisory Board, and any recommendations of the Audit Panel;
- approving interest rates, contract prices and charges for banking services;
- setting out the organisational structure and the total number of staff of the Bank, and considering the Bank's staff chart;
- 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;
- delegating to officers of organisational units some of the powers of the Management Board under regulations on the respective organisational units;
- deciding on any matters related to opening and closing of internal organisational units;
- approving internal regulations: credit, accounting and other policies, instructions, regulations, procedures, manuals, guidelines and rules;
- defining the types and the list of information pertaining to the Bank's commercial secrecy;
- exercising the powers related to organisation of internal control in the Bank defined by Article 14 hereof;
- 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 of another joint-stock company;



– considering and transacting any other matters referred to the Management Board by the Chairman of the Management Board.

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

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

12.55. 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.

12.56. Rights and duties of the members of the Management Board shall be as set out by the effective legislation of the Russian Federation, 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.

### **Article 13. CONTROL OVER FINANCIAL AND BUSINESS ACTIVITIES OF THE BANK**

13.1. 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.

13.2. Members of the Audit Panel shall be responsible for any abusive performance of their duties as stipulated by the current legislation of the Russian Federation.

13.3. 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.

13.4. 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.

13.5. 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 statements to be presented to the General Shareholders' Meeting for approval.

13.6. 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% of the voting shares of the Bank.

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

During a year, the Audit Panel shall review business activities of the Bank as requested by the General Shareholders' Meeting or the Supervisory Board.

13.8. 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.

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

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

13.11. To review, and confirm the accuracy of, the annual financial statements, the Bank shall engage on an annual basis a professional auditors firm disinterested in affairs of the Bank or its shareholders (external audit) and holding membership in a self-regulated organisation listed in the state register of self-regulated auditors' organisations.

The auditors firm shall be approved by the General Shareholders' Meeting. Fees for its services shall be determined by the Supervisory Board.

The Bank shall be audited in accordance with the legislation of the Russian Federation and the international financial reporting standards (IFRS) under contracts made with auditors firms.

Any opinions prepared by the Audit Panel and the auditors firm based on the results of any revision of the Bank's financial and economic activities shall cover:

- confirmation of the accuracy of the data contained in the reports and other financial documents of the Bank;
- any non-compliance by the Bank with accounting and financial reporting rules set out by statutory acts of the Russian Federation or with statutory acts of the Russian Federation applicable to its business activities.

The auditors' report on the review of the Bank's annual financial statements in compliance with the legislation of the Russian Federation shall be filed with the Central Bank of the Russian Federation as and when required by the effective legislation of the Russian Federation.

#### **Article 14. THE BANK'S INTERNAL CONTROL**

14.1. An internal control system shall operate in the Bank in order to protect the Bank's customers and investors' interests by means of controlling the Bank employees' compliance with the legislation of the Russian Federation, including that of anti-money laundering and combating financing of terrorism, and compliance with regulations and standards governing the professional practice, ensuring the level of safety adequate to the nature of the Bank's operations and mitigating the risks of bank activities.

14.2. The Bank's internal control system shall be organised in compliance with the requirements of the regulations of the Bank of Russia. The Supervisory Board shall be responsible for setting up and maintaining an efficient internal control system.

14.3. Internal control shall be carried out, within the powers defined by the Bank's constituent and internal documents, by:

- the General Shareholders' Meeting;
- the Supervisory Board;
- the Management Board;
- the Chairman of the Management Board and his deputies (First Deputy Chairmen of the Management Board, Deputy Chairmen of the Management Board);
- the Chief Accountant (his deputies);
- the Audit Panel;
- the Audit and Risk Committee of the Supervisory Board;
- the Bank's units and employees responsible for internal control as authorised by the Bank's internal documents:
  - the Internal Audit and Control Division (acting as an internal control service provided for in the Bank of Russia's regulations);

- the Compliance Officer in charge for internal control for anti-money laundering and combating financing of terrorism;
- stock market professional participant comptroller;
- other units as may be required by the nature and the scale of the Bank's business.

14.4. In relation to internal control, the General Shareholders' Meeting is authorised to:

- approve bylaws on performance of internal control by the Bank's executive bodies.
- elect, remove, and determine remunerations and compensations for the members chairperson of, and approve any Regulations on, the Audit Panel.

14.5. Formation of the Supervisory Board is set out in Article 12 hereof and in the Regulations on the Supervisory Board as approved hereunder.

In relation to internal control, the Supervisory Board is authorised to:

- ensure setting up and maintaining of an efficient internal control system;
- review and approve any documents related to the set-up of the internal control system;
- appraise efficiency of the internal control and discuss any issues of internal control and any measures of improving its efficiency with the Bank's executive bodies;
- ensure the Bank's executive bodies' compliance with any recommendations or comments of the Internal Audit and Control Division, the auditors' firm or the supervisory authorities;
- oversee performance of activities of the Internal Audit and Control Division;
- review measures taken to comply with any recommendations and to remedy any irregularities identified in the Bank's business as reported by the Internal Audit and Control Division at least twice a year;
- evaluate the internal control system's adequacy to any changes to the nature, scale and circumstances of the Bank's business;
- review the Stock Market Professional Participant Comptroller's quarterly performance reports;
- approve the amount and conditions of remuneration for the Head of Internal Audit and Control Division
- approve working plans of the Internal Audit and Control Division.

14.6. Formation of the executive bodies of the Bank, in particular the appointment and removal of the Chairman of the Management Board and the members of the Management Board, are set out in Article 12 hereof and the Regulations on the Management Board and the Chairman of the Management Board as approved hereunder.

In relation to internal control, the Management Board and the Chairman of the Management Board are authorised to:

- define responsibilities for implementation of any resolutions of the Supervisory Board, to implement the Bank's strategy and policy in relation to set-up and performance of the internal control;
- authorise managers of the respective structural units to develop internal control policies, and control performance thereof;
- review compliance of the Bank's business with the internal control regulations, and to evaluate the adequacy of such regulations to the nature and the scale of the Bank's business;
- assign functions to 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 enabling provision of users with relevant information;
- ensure performance of a system for control over remediation of any irregularities or deficiencies identified in the internal control and appraise success of any such remediation.

The Deputy Chairmen of the Management Board (First Deputy Chairmen of the Management Board, Deputy Chairmen of the Management Board) are directed by the Chairman of the Management Board in relation to the internal control.

14.7. 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 are authorised to:

- set the accounting policy of the Bank in compliance with regulations of the Bank of Russia and the current legislation of the Russian Federation;
- 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 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 the current legislation of the Russian Federation 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.

14.8. Formation and authority of the Audit Panel are set out in Article 13 hereof and the Regulation on the Audit Panel approved hereunder.

In relation to internal control, the Audit Panel may:

- 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

14.9. 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 may:

- advise the Supervisory Board as to the proposed auditor of the Bank, maximum remuneration for such auditor, and type and scope of its services, including associated services;
- approve any report(s) of the auditor(s) produced in respect of the Bank’s accounting (financial) statements mandatorily made in accordance with the legislation of the Russian Federation and international financial reporting standards (IFRS);
- monitor the scope of audit procedures and appraise auditor’s impartiality and independence. In doing so, the Audit and Risk Committee of the Supervisory Board may not restrict the liberty and independence of the auditor’s appraisal and shall procure that a complete and fair account of any issues found in the Bank’s business is given to the Supervisory Board;
- consider 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 as to prevention of any such irregularities in future;
- advise the Supervisory Board as to the amount of, and conditions for, remuneration of the Head of the Internal Audit and Control Division;
- preliminary review of activity plans and reports of the Internal Audit and Control Division.

14.10. The Compliance Officer in charge for internal control for anti-money laundering and combating financing of terrorism shall be appointed and removed by the Chairman of the Management Board.

In relation to internal control, the Compliance Officer is authorised to:

- develop and ensure implementation of the regulation on internal control for anti-money laundering and combating financing of terrorism;
- develop internal control policies and other corporate measures for such purposes;
- ensure reporting to the relevant authority under the Federal Law “On Anti-money Laundering and Combating Financing of Terrorism”.

14.11. The comptroller of the stock market professional participant shall be appointed and dismissed by the Chairman of the Management Board.

The comptroller of the stock market professional participant may inspect compliance of the Bank's activities as a stock market professional participant with requirements of the legislation of the Russian Federation on securities and on protection of investors' rights and lawful interests in the securities market and with regulations of the federal authority for the securities market.

The Stock Market Professional Participant Comptroller reports to, and acts under control of, the Supervisory Board.

14.12. 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.

14.13. The Internal Audit and Control Division shall monitor the effectiveness of the internal control system to determine its adequacy to the purposes of the Bank's activities, to identify organisational weaknesses, and develop proposals for improving, and enhancing efficiency of, such system.

14.14. The Internal Audit and Control Division is the unit of the Bank formed for the purpose of carrying out internal control within the Bank and supporting the Bank's management bodies in ensuring efficient performance of the Bank under this Charter and the Regulations on Internal Audit and Control Division as approved by the Supervisory Board.

14.15. The rights, duties and qualification requirements of the head and employees of the Internal Audit and Control Division shall be set out by departmental regulations and job descriptions, which must conform to the requirements set by the Bank of Russia. The number of staff in the Internal Audit and Control Division shall be set by the Chairman of the Management Board sufficiently for efficient performance of, and achieving goals and tasks of internal control in, the Bank. The head of the Internal Audit and Control Division may not supervise, and its employees (including head and deputy heads) may not combine their jobs with those in, any other unit of the Bank.

14.16. The Internal Audit and Control Division in the person of its Head shall be accountable for its activities to the Supervisory Board.

14.17. The Head of the Internal Audit and Control Division shall be appointed and removed by the Supervisory Board as advised by the Chairman of the Management Board.

14.18. Employees of the Internal Audit and Control 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 and Control Division according to the Bank's internal policies.

14.19. Neither the Head (deputy heads) nor any employees of the Internal Audit and Control Division may sign or visa on behalf of the Bank any payment (settlement) or accounting documents or any other documents whereby the Bank assumes any risks.

14.20. The Bank shall, within three days, notify the Principal Regional Department of the Bank of Russia of any material changes to the internal control system, including any appointment or removal of the Head (deputy heads) of the Internal Audit and Control Division, and of any amendments to the Regulations on the Internal Audit and Control Division.

## **Article 15. THE BANK'S ACCOUNTING AND REPORTING**

15.1. The accounting process and document circulation of the Bank shall be organised in compliance with the rules established by the Central Bank of the Russian Federation.

The Bank shall submit the reports related to the Bank's activities to the territorial agency of the Central Bank of the Russian Federation covering its registered address in the form and within the terms established by the rules of the Central Bank of the Russian Federation.

15.2. The results of the Bank activities shall be reflected in monthly, quarterly and annual balance sheets, quarterly income statements, and in annual financial statements to be submitted to the territorial agency of the Central Bank of the Russian Federation.

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 the effective legislation of the Russian Federation.

While carrying out banking activities, the Bank shall submit its accounting reports to any other government bodies and / or organisations authorised by them in the cases, as and to the extent stipulated by the effective legislation of the Russian Federation.

15.3. The Bank shall publish in open press the following information about its activities in such form and time as provided for by the Bank of Russia:

– balance sheet, income statement, capital adequacy statement, statement of loan loss provisions and other assets of the Bank – quarterly;

– balance sheet, income statement, statement of loan loss provisions and other assets of the Bank together with the auditors' report on their accuracy – annually.

## **Article 16. BANK'S REORGANISATION AND LIQUIDATION**

16.1. The Bank's reorganisation or liquidation shall be carried out in accordance with the effective legislation of the Russian Federation.

16.2. The Bank's reorganisation shall result in the transfer of all its rights and obligations to its legal successors in compliance with the effective legislation of the Russian Federation. 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.

16.3. The Central Bank of the Russian Federation may debar the Bank's reorganisation, if such reorganisation gives rise to administering the bankruptcy preventing measures as stipulated by the Federal Law "On Insolvency (Bankruptcy) of Credit Organisations".

16.4. The Bank's liquidation shall be carried out in compliance with federal laws under a resolution of the General Shareholders' Meeting or a court judgement on the grounds set out by the Civil Code of the Russian Federation, the Federal Law "On Banks and Banking" or the Federal Law "On Insolvency (Bankruptcy) of Credit Organisations". The Bank's liquidation shall result in termination of the Bank's operation without transferring its rights and obligations by succession.

16.5. 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 Central Bank of the Russian Federation to cancel its banking license. Such petition is filed as required by regulations of the Central Bank of the Russian Federation.

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

16.7. If the Bank's activities meet the insolvency (bankruptcy) criteria set out by the Federal Law "On Insolvency (Bankruptcy) of Credit Organisations", 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)" and the Federal Law "On Insolvency (Bankruptcy) of Credit Organisations".

16.8. 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 the effective legislation of the Russian Federation.

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 the current legislation of the Russian Federation.

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 the effective legislation of the Russian Federation.

16.9. The Bank's liquidation shall be deemed completed and the Bank shall be deemed wound up upon entry by the authorised registering body of a respective record into the Unified State Register of Legal Entities.

Chairman of the Management Board  
CREDIT BANK OF MOSCOW

[s]

V.A. Chubar

[*CREDIT BANK OF MOSCOW's seal*]

Bank's seal