

*Translation from Russian*

AGREED

Deputy Governor  
of the Central Bank  
of the Russian Federation

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\_\_\_\_\_ 20\_\_

**CHARTER**

**of**

**VTB Bank  
(Public Joint Stock Company)**

**PJSC VTB Bank**

**Approved by**

the General Meeting of Shareholders  
Minutes No. \_\_\_\_ dated \_\_\_\_\_ 2015

**Saint Petersburg  
2015**

## **I. GENERAL PROVISIONS**

1.1. VTB Bank (public joint stock company) hereinafter referred to as the Bank is a credit institution.

The Bank was incorporated under the name of the Bank for Foreign Trade of the RSFSR (Vneshtorgbank of the RSFSR) in compliance with the Resolution of Constituent Meeting of the Shareholders dated 16 October 1990 (Minutes No.1).

In conformity with the Resolution of the General Shareholders Meeting dated 23 July 1993 (Minutes No.6), the Bank's corporate (full official) name was changed into THE BANK FOR FOREIGN TRADE OF THE RUSSIAN FEDERATION (VNESHTORGBANK OF RUSSIA) (close joint stock company).

In conformity with the Resolution of the annual General Shareholders Meeting dated 30 April 1996 (Minutes No.10), the name of the Bank's legal status was changed in compliance with the legislation of the Russian Federation and its corporate (full official) name was changed into the Bank for Foreign Trade (close joint stock company), with the abbreviated corporate name being changed into Vneshtorgbank.

In conformity with the Resolution of the General Shareholders Meeting dated 16 May 1997 (Minutes No.12), the type of joint-stock company was changed and the Bank's corporate (full official) name was changed into the Bank for Foreign Trade (open joint stock company).

In conformity with the Resolution of the General Shareholders Meeting dated 17 May 2002 (Minutes No.22), the Bank's abbreviated corporate name was changed into JSC Vneshtorgbank.

In conformity with the Resolution of the General Shareholders Meeting dated 19 October 2006 (Minutes No.33), the Bank's names were changed into VTB Bank (open joint stock company) and JSC VTB Bank.

In conformity with the Resolution of the General Shareholders Meeting dated 04 June 2010 (Minutes No.39 dated 09 June 2010), as well as Resolution of the only shareholder of JSC VTB Bank North-West No.13 dated 22 December 2010, the Bank is restructured in the form of JSC VTB Bank North-West being merged into it.

The Bank is a legal successor of all rights and liabilities of JSC VTB Bank North-West towards all of its debtors and creditors, including liabilities disputed by the parties.

In conformity with the Resolution of the General Shareholders Meeting dated \_\_ June 2015 (Minutes No.45), the full and abbreviated corporate names of the Bank were changed to VTB Bank (public joint-stock company) / PJSC VTB Bank to comply with the applicable legislation of the Russian Federation.

1.2. The Bank's full corporate name in the Russian language is "Банк ВТБ (публичное акционерное общество)" and in the English language — "VTB Bank (public joint-stock company)".

Abbreviated corporate name of the Bank in the Russian language is "ПАО Банк ВТБ" and in the English language — "PJSC VTB Bank".

The Bank shall have an exclusive right to its corporate name application.

1.3. The Bank is located at: 29 Bolshaya Morskaya Street, St. Petersburg.

The Bank's President and Chairman of the Management Board is located at: 29 Bolshaya Morskaya Street, St. Petersburg.

1.4. The Bank has a round stamp bearing its full and abbreviated corporate names in the Russian language, as well as its address. Also, the Bank has stamps and letterheads with its name; its own logo and duly registered trademark, as well as other means of visual identification.

1.5. The Bank is a commercial institution. The Bank is incorporated into the banking system of the Russian Federation and in performing its activities is guided by the Russian Federation Constitution, Federal Laws "On Banks and Banking Business",

“On the Central Bank of the Russian Federation (Bank of Russia)”, “On Joint Stock Companies” and other federal laws, as well as other regulations of the Russian Federation, enactments of the Bank of Russia (hereinafter referred to as “Legislation of the Russian Federation”) and the present Charter.

1.6. The Bank is a legal entity with property in severalty recorded in its independent balance and is liable to the full extent of its property; it can *sui juris* acquire and exercise civil rights and have civil responsibilities, and act as plaintiff or defendant in the court.

1.7. The Bank shall be liable for its obligations with its owned property. The Bank shall not be held liable for its shareholders’ responsibilities.

If the Bank’s insolvency (bankruptcy) is caused by activity (or inactivity) of its shareholders or other persons that are entitled to make instructions binding upon the Bank or otherwise have an opportunity to direct its actions, then vicarious liability for the Bank obligations may be imposed on aforesaid shareholders and other persons if the Bank’s property proves to be insufficient.

The Bank’s insolvency (bankruptcy) shall be considered as caused by activity (inactivity) of its shareholders or other persons that are entitled to make instructions binding upon by the Bank or otherwise have an opportunity to direct its actions, only if they used the aforesaid right and (or) opportunity to make the Bank undertake wrongful actions while being fully aware of the Bank’s resulting insolvency (bankruptcy).

1.8. Legal entities and (or) individuals can become the Bank’s shareholders, unless their participation in the Bank is forbidden by the applicable federal laws. The Bank’s shareholders shall not be held liable for any obligation of the Bank and bear only the risk of loss within the cost of their share holding. Shareholder that did not completely pay for their shares shall have joint responsibility for the Bank’s obligation within the unpaid part of their shareholding.

1.9. The Bank’s governance bodies are:

- General Shareholders Meeting
- Supervisory Council
- President and Chairman of the Management Board, and
- Management Board.

1.10. The Bank shall not be liable for obligations of the State. The State shall not be liable for obligations of the Bank except for cases when the State itself shall assume such obligations.

The Bank shall not be liable for obligations of the Bank of Russia. And the Bank of Russia shall not be liable for obligations of the Bank except for cases when the Bank of Russia itself shall assume such obligations.

1.11. The Bank can have subsidiary companies exercising the rights of legal entities incorporated on the territory of the Russian Federation in compliance with the Federal Law “On Joint Stock Companies” (hereinafter referred to as the Federal Law «On Joint-Stock Companies») and other federal laws, as well as beyond the territory of the Russian Federation in compliance with the local regulation, unless otherwise stipulated by any international agreement of the Russian Federation.

If the Bank acquires more than 20 per cent of voting shares of another legal entity located on the territory of the Russian Federation, the Bank shall be obliged to publish the relative information following the procedure specified by the Bank of Russia and federal antimonopoly body.

1.12. The Bank can open branches and representative offices on the territory of the Russian Federation in compliance with the Federal Law “On Joint-Stock Companies” and other applicable legislation.

The Bank can also open branches and representative offices beyond the territory

of the Russian Federation in compliance with the local legislation, unless otherwise stipulated by an international agreement of the Russian Federation.

1.13. The Bank (or its Branch) can open internal structural divisions beyond location of the Bank (Branch), such as sub-offices, credit and cash offices, operational offices, and cash desks.

Sub-offices and operational offices are opened (closed) by the Management Board. Credit and cash offices, and cash desks of the Bank (Branch), as well as sub-offices and operational offices of the Bank's branches are opened (closed) by a decision of President and Chairman of the Management Board or by an authorized person.

1.14. The Bank's activities are not limited in terms of time.

1.15. The Bank is independent of any government body in making decisions as to its proprietary business activities.

1.16. Safeguarding state secrets is a major activity of the Bank under the Federal Law "On State Secret". The Bank shall safeguard any information bearing state secrets acting within its competency and in compliance with the tasks entrusted. The Bank shall also arrange and hold activities aimed at mobilization training and civil defense.

Responsibility at the Bank for ensuring the security of information constituting a state secret rests with the President and Chairman of the Bank's Management Board.

1.17. The Charter is a constituent document of the Bank. Its provisions are binding upon the Bank's bodies, shareholders and officers.

## **II. BRANCHES AND REPRESENTATIVE OFFICES**

2.1. Branches and representative offices of the Bank are not legal entities and shall perform their activities on the basis of Regulations approved by the Bank's Management Board.

The Bank shall endow its branches and representative offices with property that is recorded both in their separate balance sheets and in the Bank's balance sheet.

Heads of branches and representative offices shall be appointed by President and Chairman of the Management Board and act under powers of attorney issued by the Bank.

Branches and representative offices shall act on behalf of the Bank. The Bank shall be responsible for activities of its branch or representative office.

2.2. The Bank has the following branches located at:

- Bank Branch in Arkhangelsk: 2/68 Ul. Pomorskaya, Arkhangelsk 163000;
- Bank Branch in Veliky Novgorod: 24, bldg.1, Prospekt Mira, Veliky Novgorod 173025;
- Bank Branch Vologodsky: 39 Prospekt Pobedy, Vologda 160001;
- Bank Branch in Voronezh: 58 Prospekt Revolyutsii, Voronezh 394000;
- Bank Branch in Yekaterinburg: 5 Ul. Marshala Zhukova, Yekaterinburg 620219;
- Bank Branch Kaliningradsky: 5 Ul. Bolnichnaya, Kaliningrad 236006;
- Bank Branch in Kirov: 113a Ul. Mopra, Kirov 610005;
- Bank Branch in Krasnoyarsk: 3 "b" Krasnaya Ploshchad, Krasnoyarsk, Krasnoyarsky Krai 660021;
- Bank Branch Leningradsky Oblastnoy: 19 prospekt Oktyabrya, Gatchina, Leningradskaya Oblast 188300;
- Bank Branch in Murmansk: 5/23 Ul. Vorovskogo, Murmansk 183038;
- Bank Branch in Nizhniy Novgorod: 4 Ul. Reshetnikovskaya, GSP 78, Nizhniy Novgorod 603950;
- Bank Branch in New Delhi (India): Messanine floor, Taj Mahal Hotel, Number one, Mansingh Road, New Delhi 110011;
- Bank Branch in Petrozavodsk: 4 Ul. Kyibysheva, Petrozavodsk, Republic of

Karelia 185035;

- Bank Branch in Pskov: 1-a Internatsionalny Per., Pskov 180007;
- Bank Branch in Rostov-na-Donu: 62/284 Pr. Voroshilovsky, Rostov-na-Donu 344000;
- Bank Branch Kirovsky in St. Petersburg: 47, Lit.A, Office 3N Prospekt Stachek, St. Petersburg 198097;
- Bank Branch Krasnogvardeysky in St. Petersburg: 53 Lit.A Maloohinsky Prospekt, St. Petersburg 195112;
- Bank Branch Meridian in St. Petersburg: 212 Moskovsky Prospekt, St. Petersburg 196066;
- Bank Clearing House Branch in St. Petersburg: 78/12, Lit.A Maly Prospekt, St. Petersburg 199406;
- Bank Clearing House-4 Branch in St. Petersburg: 7, Lit.A Dumskaya Ul., St. Petersburg 191011;
- Bank Clearing House-5 Branch in St. Petersburg: 30 Lit.A, Ul. Bolshaya Morskaya, St. Petersburg 190000;
- Bank Branch Udelny in St. Petersburg: 11, Lit.A Svetlanovsky Proezd, St. Petersburg 194223;
- Bank Branch in Stavropol: 7 Ul. Marshala Zhukova, Stavropol 355000;
- Bank Branch in Khabarovsk: 7 Ul. Moskovskaya, Khabarovsk 680000;
- Bank Branch in Shanghai (China): Units 01A, 02 and 03. Level 11, Plaza 66 Phase 1, 1266 Nanjing Road West, Shanghai, China;

2.3. The Bank has the following representative offices located at:

- Bank Representative Office in Italy: Piazzale Principessa Clotilde, 8–20121, Milano, Italia;
- Bank Representative Office in China: 18BC, CITIC Bldg., 19, Jianguomenwai dajie, Beijing, China 100004;
- Bank Representative Office in the Kyrgyz Republic: 55 Manasa Prospekt, Byshkek, Kyrgyz Republic, 720017;
- Bank Representative Office in Moscow and the Moscow Oblast: 6 Lesnaya, Moscow 125047.

### **III. BUSINESS OBJECTIVES**

3.1. A major objective of the Bank's activities is gaining revenue from banking transactions, which are performed under special permit (license) by the Bank of Russia in accordance with procedures set in the Federal Law "On Banks and Banking Activities".

3.2. The Bank is entitled to perform the following banking transactions:

- 3.2.1. raising funds from individuals or legal entities as (demand or term) deposits;
- 3.2.2. placing the funds specified in Clause 3.2.1. hereof in its name and at its own account;
- 3.2.3. opening and maintaining bank accounts for individuals and legal entities;
- 3.2.4. making fund transfers as instructed by individuals and legal entities, including correspondent banks, in their bank accounts;
- 3.2.5. collecting cash, bills, payment and settlement documents; providing cash services to individuals and legal entities;
- 3.2.6. purchasing and selling foreign currencies in cash and non-cash forms;
- 3.2.7. taking precious metals for deposits and placement;
- 3.2.8. issuing bank guarantees;
- 3.2.9. make fund transfers without opening bank accounts, including electronic

funds (except for postal money orders).

3.3. In addition to banking operations specified in Clause 3.2. hereof, the Bank shall be entitled to perform the following operations:

3.3.1. issuing suretyships in favor of third parties for performance of payment obligations;

3.3.2. acquiring chose in action against third parties for performance of payment obligations;

3.3.3. performing money and other asset trust management under an agreement with individuals or legal entities;

3.3.4. trading in precious metals or precious stones in compliance with the applicable Russian legislation;

3.3.5. leasing special premises or safe boxes located therein to individuals or legal entities for safe-keeping documents or valuables;

3.3.6. executing leasing operations; and

3.3.7. providing advisory and information services.

The Bank shall have the right to perform other operations in compliance with the applicable Russian legislation.

3.4. The Bank is not entitled to be engaged in production, trade or insurance activities. These limitations shall not apply to agreements which are derivative financial instruments implying a liability of one party to deliver goods to the other party, or a liability of one party upon demand of the other party to buy or sell goods on the terms and conditions specified in such agreement, if such liability to deliver goods is ceased without being performed in kind; and also to agreements to perform functions of a central counterparty in compliance with the Federal Law "On Clearing and Clearing Activities". Such restrictions shall not extend to the sale of property acquired by the Bank to perform its activities, and to the sale of property sold by the Bank upon enforcement of security due to failure to perform by a borrower of its obligations secured by property or property received by the Bank as compensation for termination of contract.

3.5. The Bank may issue, purchase, sell, record, safe-keep and perform other transactions in securities as payment documents, in securities as certificates of deposits or account balances, and in other securities that can be handled without any special license under applicable federal laws; the Bank may also perform trust management of the above securities under agreements with individuals or legal entities.

3.6. The Bank shall perform professional activities in the securities market under the legislation of the Russian Federation.

3.7. The Bank is entitled to act as a certifying center in accordance with the Federal Law "On Electronic Digital Signature"

#### **IV. CHARTER CAPITAL**

4.1. The Bank's charter capital amounts to RUB 343,643,383,623.38 (Three hundred and forty-three billion six hundred and forty-three million three hundred and eighty-three thousand six hundred and twenty three point thirty eight Rubles) divided into 12,960,541,337,338 (Twelve trillion nine hundred and sixty billion five hundred and forty-one million three hundred and thirty-seven thousand three hundred and thirty-eight) ordinary registered shares with nominal value of RUB 0.01 (Point zero one Ruble) each and 21,403,797,025,000 (Twenty-one trillion four hundred and three billion seven hundred and ninety-seven million twenty five thousand) preference registered shares with a nominal value of of RUB 0.01 (Point zero one Ruble) each..

4.2. No raised funds can be used to form the charter capital. When increasing the charter capital, the Bank's additional shares cannot be paid for by off-setting any claim to the Bank, except for monetary claims for the payout of declared dividends in

monetary form.

4.3. The amount of the Bank's charter capital can be increased by increasing the nominal value of previously issued shares or by issuing new shares.

An increase in the charter capital is permitted after it is paid in full.

4.4. A decision to increase the charter capital by an increase in the nominal share value shall be made by the Bank's General Shareholders Meeting.

4.5. A decision to increase the charter capital by additional share placement shall be made in compliance with the legislation of the Russian Federation and the present Charter by the Bank's General Shareholders Meeting or Supervisory Council.

4.6. The charter capital increase by additional share placement can be executed at the account of the Bank's property. The charter capital increase by an increase in the nominal share value can only be exercised at the account of the Bank's property.

The decision to increase the Bank's charter capital by additional share placement at the account of the Bank's property shall be taken by the General Shareholders Meeting.

The amount equal to the Bank's charter capital increase at the account of its property shall not exceed the difference between the value of the Bank's equity (capital) and the amount of the charter capital plus the Bank's reserve fund.

In increasing the Bank's charter capital at the account of the Bank property by placement of additional shares, such shares are to be distributed among all shareholders. Each of the shareholders shall get shares of the same category (type) that are the shares it owns *pro rata* to the quantity of its shareholding. The Bank's charter capital increase at the account of the Bank's property by issuing additional shares that results in fractional shares shall not be permitted.

4.7. The Bank is entitled, and in cases stipulated by the Federal Law "On Joint-Stock Companies" is obliged, to decrease its charter capital.

The Bank's charter capital can be decreased by decreasing the nominal share of its shares or by reducing their total volume, including buy-out and redemption by the Bank of part of its shares. A decision to decrease the Bank's charter capital by decreasing the nominal share value or reducing their total volume shall be made by the General Shareholders Meeting.

The shares purchased by the Bank on the basis of a resolution made by the General Shareholders Meeting to decrease the Bank's charter capital by purchasing the shares to reduce their total volume are subject to redemption upon acquisition.

## **V. SHARES, BONDS AND OTHER ISSUED SECURITIES**

5.1. All shares of the Bank are non-documentary registered shares.

The Bank may place ordinary shares, preference shares and Type A preference shares. The amount of dividends on preference shares and Type A preference shares is determined by the annual General Shareholders Meeting on the recommendation of the Supervisory Council of the Bank.

Ordinary shares, preference shares and Type A preference shares shall not be converted into bonds or any other securities.

5.2. Nominal value of one registered ordinary share of the Bank is RUB 0.01 (Point zero one), with the form of issue being non-documentary.

Nominal value of one registered preference share of the Bank is RUB 0.01 (Point zero one).

Nominal value of one registered Type A preference share is RUB 0.1 (Point one).

5.3. The total number of outstanding ordinary shares is 12,960,541,337,338 (Twelve trillion nine hundred and sixty billion five hundred and forty-one million three hundred and thirty-seven thousand three hundred and thirty-eight).

The total number of outstanding registered preference shares is 21,403,797,025,000 (Twenty-one trillion four hundred and three billion seven hundred and ninety-seven million twenty five thousand).

5.4. The maximum amount of authorized ordinary shares is 14,000,000,000,000 (Fourteen trillion) with a nominal value of RUB 0.01 (Point zero one Ruble) each.

The maximum amount of authorized Type A preference shares is 3,073,905,000,000 (Three trillion seventy-three billion nine hundred and five million) with a nominal value of RUB 0.1 (Point one Ruble) each.

Any resolution on amendments to the Bank's Charter related to regulations on authorized shares and their quantity, except for amendments related to their reduction due to placement of additional shares shall be made by the Bank's General Shareholders Meeting.

5.5. In compliance with a resolution by the General Shareholders Meeting, the Bank can consolidate some of its outstanding shares with two or more shares being converted into one new share. Relative amendments shall be made to the Charter to reflect the nominal value and amount of the Bank's outstanding and authorized shares.

5.6. In compliance with a resolution by the General Shareholders Meeting, the Bank can split the Bank's outstanding shares resulting in one share of the Bank to be converted into two or more shares. Relative amendments shall be made to the Charter to reflect the nominal value and amount of the Bank's outstanding and authorized shares.

5.7. The Bank is entitled to issue bonds and other issue-grade securities as stipulated by the Russian legislation on securities.

5.8. Bonds and other issue-grade securities of the Bank (except for issue-grade securities convertible into shares) shall be placed in compliance with a relative decision of the Bank's Supervisory Council.

## **VI. SHAREHOLDERS' RIGHTS**

6.1. Each of the Bank's ordinary shares entitles the shareholder, its owner, to an equal scope of rights.

Shareholders owning ordinary shares of the Bank have the right to:

- participate in the General Shareholders Meeting with the right to vote on all issues within its terms of reference (participate in managing the Bank's business);
- in relevant instances and in accordance with provisions of the applicable legislation and this Charter, obtain information on the Bank's business and gain access to its accounting and other documents;
- appeal against resolutions of the Bank's management bodies which have civil law consequences in relevant instances and in accordance with the procedure established by the applicable legislation;
- on behalf of the Bank, demand reimbursement of losses inflicted on the Bank;
- on behalf of the Bank, challenge the Bank's transactions entered into by it, on the grounds specified in Article 174 of the Civil Code of the Russian Federation or the Federal Law "On joint-stock companies" and demand application of consequences of their invalidity and application of consequences of invalidity of the Bank's void transactions;
- participate in allocation of the Bank's profit (receive dividends); and
- in case of the Bank's liquidation, receive a part of the Bank's property remaining after settlement with creditors, or its value.

The Bank's preference shares of a certain type grant shareholders, their owners, an equal scope of rights and are of the same nominal value. Shareholders who



are owners of preference shares and Type A preference shares do not have voting rights at the General Meeting of Shareholders, unless otherwise stipulated by the Federal Law "On Joint Stock Companies".

Shareholders owning the Bank's preference shares and Type A preference shares are entitled to:

- receive dividends in the amount determined annually by the General Shareholders Meeting on the recommendation of the Supervisory Council of the Bank;
- participate in the General Shareholders Meeting with the right to vote in the cases stipulated by the Federal Law "On Joint Stock Companies" (participate in managing the Bank's business);
- in relevant instances and in accordance with provisions of the applicable legislation and this Charter, obtain information on the Bank's business and gain access to its accounting and other documents;
- appeal against resolutions of the Bank's management bodies which have civil law consequences in relevant instances and in accordance with the procedure established by the applicable legislation;
- on behalf of the Bank, demand reimbursement of losses inflicted on the Bank;
- on behalf of the Bank, challenge the Bank's transactions entered into by it, on the grounds specified in Article 174 of the Civil Code of the Russian Federation or the Federal Law "On joint-stock companies" and demand application of consequences of their invalidity and application of consequences of invalidity of the Bank's void transactions;
- in case of the Bank's liquidation, receive a part of the Bank's property remaining after settlement with creditors, or its value.

The Bank's shareholders are entitled to dispose of their shareholdings without consent of other shareholders or that of the Bank.

Shareholders can also exercise other rights stipulated by the legislation of the Russian Federation and this Charter.

6.2. The Bank's shareholders have statutory pre-emptive rights to subscribe for additional shares to be placed by an open subscription and issue-grade securities to be converted into shares, *pro rata* to the number of their existing shares of the same category (type).

6.3. The Bank's shareholders voting against or not participating in the vote on the share placement by a close subscription to shares or issue-grade securities convertible into shares, have a pre-emptive right to acquire additional shares and issue-grade securities convertible into shares to be placed by close subscription in the amount *pro rata* to the number of the shares of this category (type) they own. Such right shall not apply to shares or other issue-grade securities convertible into shares to be placed by closed subscription only among the shareholders, if the shareholders can acquire a whole number of shares or other issue-grade securities convertible into shares to be placed *pro rata* to the number of the shares of appropriate category (type) they own.

6.4. If the decision underlying the placement of additional shares and issue-grade securities convertible into shares is made by the Bank's General Shareholders Meeting, the list of persons having the pre-emptive right to acquire additional shares and issue-grade securities convertible into shares shall be made on the basis of the Shareholders' Register as at the date when a list of persons eligible to participate in such General Shareholders Meeting is made. In other cases, the list of persons having the preemptive right to acquire additional shares and issue-grade securities convertible into shares shall be made on the basis of the Shareholders' Register as at the date when the resolution is adopted to place additional shares and issue-grade securities convertible into shares.

6.5. The persons having the pre-emptive right to acquire additional shares and issue-grade securities convertible into shares shall be notified of their preemptive right to be exercised under the procedure specified for the notice on convening the General Shareholders Meeting.

The notification should contain information on the number of the shares and issue-grade securities convertible into shares to be placed, the offering price of these securities or the procedure for determining it (including when exercising a preemptive right to purchase the securities), or an indication that the price or the procedure for determining it will be stipulated by the Bank's Supervisory Council prior to the start of placement of the securities, as well as information on the procedure for determining the number of securities which each person having the pre-emptive right can acquire, the procedure for submitting applications by the persons for acquiring the shares or issue-grade securities convertible into shares to be placed, and the deadlines for the application submission to the Bank (hereinafter referred to as the pre-emptive right period).

6.6. The person having pre-emptive right to acquire additional shares or securities convertible into shares can fully or partially exercise its pre-emptive right by submitting to the Bank a written application for acquisition of shares or issue-grade securities convertible into shares. The application shall specify the name of such person, its location and the number of securities to be acquired.

The application for acquisition of shares or issue-grade securities convertible into shares shall be accompanied by a payment document certifying the settlement for such shares or convertible securities, except for cases when the placement price or the procedure for determining it is not established by the resolution serving as the basis for a placement by public offering of additional shares or issue-grade securities convertible into shares.

If the decision underlying the placement of additional shares and issue-grade securities convertible into shares provides for their settlement by non-monetary assets, then the persons exercising their pre-emptive right are entitled to pay cash for them if they wish to do so.

Until the pre-emptive right period expires, the Bank shall not be entitled to offer additional shares and issue-grade securities convertible into shares to any persons not having such pre-emptive right.

6.7. If while exercising the pre-emptive right to acquire additional shares, and when consolidating the shares, the shareholder fails to acquire the whole number of shares then share fractions are to be formed (hereinafter referred to as fractional shares).

Fractional shares entitle the shareholder, their owner, to the rights vested in a share of the relative category (type) *pro rata* to the fraction of the whole share it makes. For the purpose of recording the total number of outstanding shares in the present Charter, all outstanding fractional shares are summed up. If the summing results in a fractional number, the quantity of the outstanding shares is expressed by the fractional number. Fractional shares are floated in the same way as whole shares do. If a person acquired two or more fractional shares of the same category (type), these shares shall form one whole share and/or fractional shares equal to the sum of these fractional shares.

6.8. Shareholders who own voting shares are entitled to demand that the Bank should buy out all or part of their shares in the case of:

- the Bank's reorganization or performance of a major transaction approved by the General Shareholders Meeting if they voted against the resolution on its reorganization or the transaction in question, or they did not participate in the voting on these issues; and
- any amendment or addition made to the present Charter (the adoption of a

resolution by the General Shareholders Meeting serving as the basis for making amendments and addenda to this Charter) or approval of the revised Charter, which restrict their rights, if they voted against the relative resolution or did not participate in the voting on these issues.

- the adoption of a resolution by the General Shareholders Meeting to declare a delisting of Bank shares and/or Bank issue-grade securities convertible into shares, if they voted against the resolution or did not take part in the voting.

The list of shareholders eligible to demand that the Bank should buy-out their shares shall be made on the basis of the Shareholders' Register dated the date when a list of persons is made entitled to participate in the General Shareholders Meeting where the voting can cause initiating the right of shareholders to demand such buyout.

6.9. The Bank shall inform its shareholders of their right to have their shares bought out by the Bank, as well as the buy-out price and procedure.

In case of putting on the agenda the issues the voting on which in conformity with the Federal Law "On Joint-Stock Companies" can cause initiating the right for the shareholders to demand the buy-out by the Bank, the notice of such General Shareholders Meeting shall include the information on such right, the price and procedure for such share buy-out.

6.10. Shareholders shall submit to the Bank a written demand for their share buy-out specifying their residence (location) and the number of shares to be bought-out. The signature of a private shareholder, as well as that of its representative, on the shareholders' demand for a buy-out of its shareholding and on the revocation of such demand should be certified either by a notary public or the holder of the Bank's Shareholder Register.

Such shareholders' buy-out demand shall be submitted to the Bank within 45 days from the date when a relative resolution is adopted by the General Shareholders Meeting.

The Bank is to redeem such shareholders' shares within 30 days after the above period expires.

6.11. The Bank shall buy out the shares at the price specified in the notice of the General Shareholders Meeting which is to consider the issues the voting on which in conformity with the Federal Law "On Joint-Stock Companies" can cause initiating the right for the shareholders to demand the buy-out. The total amount of funds the Bank can channel into the share buy-out shall not exceed 10 per cent of the Bank's equity (capital) dated the date when the decision initiating the right for the buy-out demand is made. If the total amount of shares demanded to be bought out exceeds the amount of shares the Bank can actually buy out subject to the above limitation, the shares shall be bought out *pro rata* to the demands submitted.

6.12. The shares bought out by the Bank shall be at the disposal of the Bank. Such shares shall not be voting; neither shall they be considered in vote counting, nor shall they earn dividends. Such shares shall be realized by a price not lower than their market value within one year after the title to their ownership is assigned to the Bank, otherwise the General Shareholders Meeting shall make a decision to decrease the Bank's charter capital by redeeming such shares.

## **VII. PLACEMENT OF SHARES AND OTHER ISSUE-GRADE SECURITIES. PURCHASE AND BUY OUT OF THE OUTSTANDING SHARES.**

7.1. The Bank shall place its shares and other issue-grade securities in compliance with the applicable Russian legislation. The Bank is entitled to place additional shares and other issue-grade securities through subscription or conversion.

7.2. The Bank can offer its shares and issue-grade securities convertible into shares by either open or closed subscription except for cases when closed subscription

is restricted by the applicable Russian legislation.

Additional shares and other issue-grade securities of the Bank eligible for subscription are only placed after their full payment.

Placement through open subscription of the Bank's shares (issue-grade securities convertible into shares) constituting 25 per cent or less of issued registered shares requires a unanimous decision of the Bank's Supervisory Council (retired or removed Supervisory Council members shall not vote).

7.3. Placement of the Bank's shares (issue-grade securities convertible into shares) by closed subscription shall only be performed on the basis of a decision of the General Shareholders Meeting to increase the Bank's charter capital by issuing new shares (issue-grade securities convertible into shares) approved by a three quarters majority of voting shares participating in such General Shareholders Meeting, unless otherwise stipulated by federal laws.

7.4. Placement by open subscription of ordinary shares constituting more than 25 per cent of the issued ordinary shares shall only be performed on the basis of a decision of the General Shareholders Meeting approved by a three quarters majority of voting shares participating in such General Shareholders Meeting.

7.5. Placement by open subscription of issue-grade securities convertible into ordinary shares that would constitute more than 25 per cent of the outstanding ordinary shares shall only be performed on the basis of a decision of the General Shareholders Meeting approved by a three quarters majority of voting shares participating in such General Shareholders Meeting.

7.6. Payment for shares can be made either in Russian Rubles, or in any foreign currency, as well as contribution-in-kind as specified by the Bank of Russia. Limits for contribution-in-kind into a charter capital of a credit institution shall be determined by the Bank of Russia.

If the Bank's charter capital is to be increased at the account of its property by placing additional shares, such shares shall be offered to all shareholders, with each shareholder being offered shares of the same category (type) as the shares they hold pro rate to their share holdings.

Payment for the Bank's additional shares to be placed by subscription shall be made at the price that is determined, or for determining which the procedure is set forth by the Bank's Supervisory Board, in accordance with clause 7.13 of this Charter, but no lower than their nominal value. The placement price of the additional shares placed by public offering, or the procedure for determining it, should be contained in the resolution to increase the Bank's charter capital by placing additional shares, unless that resolution stipulates that this price or the procedure for determining it shall be set forth by the Bank's Supervisory Board by the start of the additional share placement.

In the case of in-kind payment for additional shares, the property contributed as such payment shall be appraised by the Bank's Supervisory Council in compliance with Clause 7.13 hereof.

Market value of such property shall be defined by an independent appraiser, unless otherwise stipulated by the Federal legislation. The estimation made by the Bank's Supervisory Council cannot exceed the estimation made by such independent appraiser.

7.7. Shares with the ownership title transferred to the Bank shall not be voting; neither shall they be considered in vote counting, nor shall they earn dividends. Such shares shall be realized by their market value within one year after their buy-out, otherwise the General Shareholders Meeting shall make a decision to decrease the Bank's charter capital by redeeming such shares.

7.8. The Bank is entitled to buy out the outstanding shares on the basis of a decision made by the Supervisory Council. The Bank is not entitled to make any decision on the outstanding share buy-out, if the nominal value of such outstanding

shares is less than 90 per cent of the Bank's charter capital.

The decision on a share buy-out shall specify the category (type) of the shares to be bought out, number of the shares in each category (type), buy-out price, form and schedule of payment, as well as such share buy-out time brackets.

7.9. The shares bought out by the Bank shall be paid for in money. The time brackets for such share buy-out cannot be less than 30 days. The price for the Bank's buy-out of shares shall be determined in compliance with Clause 7.13 hereof.

Each shareholder owning shares of those categories (types) which are decided to be bought out is entitled to sell such shares, with the Bank being obliged to purchase them. If the total number of the shares applied for the Bank's buy-out exceeds the number of shares the Bank can actually buy subject to restrictions imposed by Clause 7.8 hereof, the shares shall be bought out from shareholders *pro rata* to their applications.

Not later than 30 days before the share buy-out period starts, the Bank shall inform shareholders owning shares of certain categories (types) of a decision to buy out these shares. The notice shall contain information specified in paragraph 2 Clause 7.8 hereof.

7.10. The Bank is not entitled to purchase its outstanding ordinary shares if:

- the charter capital of the Bank has not been paid in full;
- the Bank shows on the purchase date, or will show as a result of such purchase, any signs of insolvency (bankruptcy) in accordance with the legislative acts of the Russian Federation on insolvency (bankruptcy) of credit institutions; or
- the value of the Bank's equity (capital) is less than the sum of its charter capital and reserve fund dated the purchase date or will become less than this sum as a result of such purchase.

The Bank is not entitled to purchase its outstanding preference shares if:

- the charter capital of the Bank has not been paid in full;
- the Bank shows on the purchase date, or will show as a result of such purchase, any signs of insolvency (bankruptcy) in accordance with the legislative acts of the Russian Federation on insolvency (bankruptcy) of credit institutions; or
- the value of the Bank's equity (capital) is less than the sum of its charter capital and reserve fund dated the purchase date or will become less than this sum as a result of such purchase.

7.11. No shareholder of the Bank can be exempt from payment for its shareholding including by set-off of money claims to the Bank, except for set-off of money claims related to payment of stated dividends in monetary form.

7.12. Unless otherwise stipulated by federal laws, the acquisition and (or) receiving in asset management (hereinafter referred to as acquisition) of more than one percent of the Bank's shares as a result of one transaction or more transactions performed by a legal entity or an individual shall require a notice to be delivered to the Bank of Russia, and in the case of acquisition of more than 10 percent – a prior approval by the Bank of Russia.

The prior consent of the Bank of Russia is also required when an individual or legal entity, as the result of a single transaction or several transactions, establishes direct or indirect (through third parties) control over Bank shareholders holding more than 10 percent of the Bank's shares (hereinafter, the establishment of control over Bank shareholders).

The requirements established by this clause also extend to cases of the acquisition of more than one percent of Bank shares, more than 10 percent of Bank shares, and (or) the establishment of control over Bank shareholders by a group of entities, recognized as such under the Federal Law "Concerning the Protection of Competition".

7.13. If the Charter requires that the price (or appraisal) of the property, as well

as the price of the share placement or share buy-out, or the procedure for determining it, be determined by the Bank's Supervisory Council, then they shall be based on their market value.

The price (appraisal) of the property or services related to an interested party transaction shall be determined by independent members of the Supervisory Council who are not interested in such transactions.

Market value of such property shall be defined by an independent appraiser.

The independent appraiser's services are mandatory when determining the price of the Bank's buy-out of shares from shareholders in compliance with Article 76 of the Federal Law "On Joint-Stock Companies", as well as in other cases if directly stipulated in the Federal Law "On Joint-Stock Companies".

7.14. Acquisition by any person of more than 30 per cent of the total shares of the Bank which are considered voting shares under the Federal Law «On Joint-Stock Companies», together with the shares already belonging to the person shall be performed in compliance with the procedures set in the Federal Law «On Joint-Stock Companies».

## **VIII. SHAREHOLDER REGISTER**

8.1. A company which holds a license required by the law (a registrar) shall maintain the Bank's shareholder register and act as the Bank's counting board.

The Bank's Shareholder Register shall contain a profile on each registered person, the number and category (type) of shares registered in its name, as well as other information stipulated by the applicable Russian legislation.

The Bank shall be obliged to keep and safeguard its Shareholder Register in compliance with the requirements set by the applicable Russian legislation.

Any person registered in the Bank's Shareholder Register shall duly inform the Register holder of any change in its profile. If the shareholder fails to do that, neither the Bank, not the Register holder shall be held liable for any losses caused by such failure.

8.2. The Register holder shall make any entry into the Bank's Shareholder Register by demand of a shareholder or nominal shareholder, or by any other person as stipulated by the Federal Law "On Joint-Stock Companies", within 3 days after the documents specified by the applicable Russian legislation are submitted.

The Register holder cannot decline to make any entry into the Bank's Shareholder Register except for cases specified by the applicable Russian legislation. If the Register holder does reject to make an entry into the Bank's Shareholder Register, it shall, not later than three days after the submission of the request to make an entry into the Bank's Shareholder Register, forward its motivated decision to the person demanding such entry to be made. Rejection to make an entry into the Bank Shareholder Register can be appealed against in the court.

8.3. At the request of a shareholder or nominal shareholder, the Bank's Shareholder Register holder shall be obliged to confirm their rights for the shareholdings by making a statement from the Shareholder Register which is not a security.

## **IX. DIVIDENDS**

9.1. Based on its first quarter, six-month, nine-month and annual results, the Bank can decide on or announce of payment of dividends on the outstanding shares. Such decision on (announcement of) the dividend payment can be made within three months after the end of the respective period.

The Bank shall be obliged to pay the dividends announced on shares of each category (type). Dividends shall be paid in money. Dividends are payable from the Bank's net profit (profit after taxation). For the purposes of dividend calculation, the net

profit is derived from the Bank's financial statements.

A resolution on (announcement of) the dividend payment shall be made by the General Shareholders Meeting. Such resolution shall determine the dividend amount for shares of each category (type), form of payment, procedure of dividend payment in non-cash form, and date when the list of persons entitled to receive dividend is determined. Resolution on the date for determination of the list of persons entitled to receive dividend shall only be made on recommendation of the Bank's Supervisory Council. The dividend amount may not exceed the dividend amount recommended by the Supervisory Council.

9.2. The Bank cannot decide on (announce) the dividend payment on shares if:

- the charter capital of the Bank has not been paid in full;
- all of the shares which are to be bought out under Article 76 of the Federal Law "On Joint-Stock Companies" have not actually been bought out;
- the Bank shows on the decision date, or will show as a result of such dividend payment, any signs of insolvency (bankruptcy) in compliance with the applicable Russian legislation;
- the value of the Bank's equity (capital) is less than the sum of its charter capital and reserve fund dated the date of the dividend payment decision; or will become less than this sum as a result of such decision; or
- in other cases stipulated by federal laws.

9.3. The Bank cannot pay out the announced dividends on shares if on the payment date:

- the Bank shows or will show as a result of the dividend payment the signs of insolvency or bankruptcy specified by the federal legislation on insolvency (bankruptcy);
- the value of the Bank's equity (capital) is less than the sum of its charter capital and reserve fund; or can become less than this sum as a result of such decision; and
- in other cases stipulated by applicable legislation.

After these circumstances cease to exist, the Bank shall be liable to pay the announced dividends to its shareholders.

## **X. FUNDS**

10.1. To ensure its financial soundness, the Bank shall create reserves (funds), including provisions for securities devaluation, in compliance with the procedures for their formation and use set by the Bank of Russia. The Bank of Russia shall also set minimal amounts of such reserves (funds).

The Bank shall deposit part of the raised funds as mandatory reserves with the Bank of Russia, it shall also form insurance funds and other reserves in compliance with the procedures set by the Bank of Russia.

10.2. The Bank shall form a reserve fund in compliance with the legislation of the Russian Federation, which cannot be less than 5 per cent of the Bank's charter capital.

The Reserve Fund is formed by making mandatory annual payments out of the net profit gained in the reporting year. The annual payment to the Reserve Fund cannot be less than 5 per cent of the net profit until the Fund amounts to 5 per cent of the Bank's charter capital.

Payments to the Reserve Fund from the net profit of the accounting year shall be made after the General Shareholders Meeting approves the annual financial statements.

The Reserve Fund can only be used to cover the Bank's losses incurred as a result of the accounting year, as well as to redeem the Bank's bonds and buy out the

Bank's shares if no other funds are available. The Reserve Fund cannot be used for any other purpose.

The Bank shall be entitled to form other funds in compliance with the legislation of the Russian Federation.

## **XI. SAFEGUARDING CUSTOMER INTERESTS**

11.1. The Bank shall safeguard the money funds and other valuables entrusted by its customers and correspondents. Their safety is secured and guaranteed by all movable and immovable property of the Bank, its money funds and reserves formed in compliance with legislation of the Russian Federation and this Charter, as well as measures to ensure financial stability and liquidity of the Bank undertaken by the Bank in compliance with the procedures set by the Bank of Russia.

11.2. The Bank shall be permanently ready to duly discharge its liabilities by regulating its balance structure in compliance with mandatory ratios set by the Bank of Russia for credit institutions' performance.

11.3. Money funds or any valuables held by individuals and legal entities on their accounts or deposits with the Bank, or kept in custody with the Bank, as well as electronic fund balances, can only be subject to attachment by court, arbitrage, or a judge; and also by a decision of preliminary investigation agencies accompanied by a court decision.

11.4 The Bank shall keep in secrecy information on transactions, bank accounts and deposits of its customers and correspondents. The Bank's employees shall be obliged to safeguard the secrecy of any transaction, account or deposit of the Bank's customers or correspondents, and of any other information classified by the Bank as secret if it complies with federal laws.

List of information comprising commercial secrets of the Bank shall be defined by the Management Board in compliance with legislation of the Russian Federation. Procedures for handling information classified as the Bank's commercial secret and responsibility for any violation of such procedures shall be set by the Management Board.

11.5. The Bank shall set up an internal control system to ensure proper level of reliability in keeping with the nature and scope of the Bank's operations and the level and makeup of its assumed risks, in accordance with the requirements of the Bank of Russia.

The Bank's system of internal control shall comprise the following:

- governance bodies (General Shareholders Meeting, Supervisory Council, Management Board, President-Chairman of the Management Board);
- Statutory Audit Commission;
- the Bank's Chief Accountant (its deputies);
- Branch Managers (their deputies) and Chief Accountants (their deputies) of the Bank's Branches;
- the Bank's structural division in charge of risk management subject to competences determined by the Bank's by-laws;
- structural divisions (officers) of the Bank in charge of internal control in compliance with their terms of reference as specified in the Bank's by-laws (including the Bank's structural unit in charge of internal audit, the Bank's structural unit in charge of internal control, responsible officer and the Bank's structural unit in charge of counteracting legitimization (laundering) of proceeds of crime and terrorism financing, controller of the Bank's professional activity in the securities market, the Bank's specialized depository controller, the responsible official providing control for compliance with the requirements of the Federal Law "On Countering Illegal Use of



Insider Information and Market Manipulation and on Amending Certain Legislative Acts of the Russian Federation” and any regulatory and legal acts adopted in accordance therewith).

Procedures for establishing internal control bodies, as well as their terms of reference shall be defined by this Charter and the Bank’s by-laws..

11.6. In order to perform internal audit, an independent structural division shall be created within the Bank that shall operate on the basis of legislation of the Russian Federation, this Charter, Regulation on the Charter approved by the Supervisory Council and other by-laws of the Bank.

The Bank’s division in charge of internal audit shall be independent from other structural divisions of the Bank.

The Head of such structural division of the Bank shall report to the Bank's Supervisory Council. Decisions to appoint and remove the Head of this Bank Division shall be made by the Bank's Supervisory Council.

The structure and staff of the Bank's structural division in charge of internal audit shall be approved by the President — Chairman of the Management Board.

In its activities, this Division shall be accountable to the Bank’s Supervisory Council and submit reports to the Supervisory Council at least twice a year, including audit follow up reports, and once a year – information on implementation of the recommendations made and remedial actions. The activities of the Division shall be monitored in compliance with regulations of the Bank of Russia.

The Division in charge of internal audit can perform audits and checks along all business lines of the Bank, assess the efficiency of the internal control system on the whole and perform other actions in compliance with the legislation of the Russian Federation, regulations and by-laws of the Bank.

11.7 Internal control for the purposes of counteracting legitimization (laundering) of proceeds of crime and terrorism financing is a part of the Bank’s internal control system and shall be performed on a regular basis.

A responsible officer of the Bank in charge of counteracting legitimization (laundering) of proceeds of crime and terrorism financing shall be appointed and removed by President — Chairman of the Management Board. Such responsible officer of the Bank in charge of counteracting legitimization (laundering) of proceeds of crime and terrorism financing shall be independent from other structural divisions of the Bank and shall operate under general governance of the Bank’s President —Chairman of the Management Board. Rights and responsibilities of such responsible officer of the Bank in charge of counteracting legitimization (laundering) of proceeds of crime and terrorism financing shall be determined by the Bank’s by-laws.

The Bank shall also establish a structural division in charge of counteracting legitimization (laundering) of proceeds of crime and terrorism financing to carry out regulation and methodological support to counteracting legitimization (laundering) of proceeds of crime and terrorism financing, organization and coordination of the Bank’s divisions in this area, operational control over compliance by the Bank’s divisions with documents which regulate counteracting legitimization (laundering) of proceeds of crime and terrorism financing. Tasks, objectives and functions of such structural division in charge of counteracting legitimization (laundering) of proceeds of crime and terrorism financing shall be determined by the Bank’s by-laws.

11.8. An independent internal control division shall be created at the Bank, formed and operating in accordance with the applicable legislation of the Russian Federation, this Charter, the Regulation on the division, and other by-laws of the Bank.

Such structural division of the Bank shall receive the power to identify regulatory (compliance) risk, submit recommendations on regulatory (compliance) risk management (if necessary) and other powers in accordance with the applicable

legislation of the Russian Federation, this Charter, the Regulation on the division, and other by-laws of the Bank.

The Head of the Bank's structural division in charge of internal control shall be appointed and removed by the President — Chairman of the Management Board.

11.9. The Head of the Bank's structural division in charge of risk management shall be appointed and removed by the President — Chairman of the Management Board.

11.10. Any person appointed as Head of the Bank's structural division in charge of risk management, Head of the Bank's structural division in charge of internal audit, or Head of the Bank's division in charge of internal control shall, at the time of such appointment and throughout his/her tenure, comply with qualification requirements set by the Bank of Russia and business reputation requirements specified in Article 16 of the Federal Law "On banks and banking activity".

## **XII. ACCOUNTING AND REPORTING. DOCUMENT SAFEKEEPING**

12.1. The Bank shall carry out accounting and shall submit financial statements in compliance with the legislation of the Russian Federation.

The Bank is entitled to prepare its financial statements, including their published forms, under the International Financial Reporting Standards.

The Bank shall keep books on statistics as provided by the legislation of the Russian Federation.

12.2. President and Chairman of the Management Board and Chief Accountant of the Bank shall be responsible for duly accounting procedures and adequate accounting policy in the Bank, presentation of annual report and other financial statements to respective bodies on a timely basis.

12.3. Fairness of amounts and other disclosures in the Bank's annual report and its annual financial statements is to be confirmed by the Bank's Statutory Audit Commission. Prior to publishing the above documents, the Bank shall appoint an independent auditor not bound by any property interest with the Bank or its shareholders to audit and confirm fairness of its annual financial reporting.

12.4. The Bank's Annual Report is subject to preliminary approval by the Supervisory Council at least 30 days prior to the General Shareholders Meeting.

12.5. The Bank shall provide state bodies with information necessary for efficient tax collecting and maintaining the federal system of processing economic information.

12.6. The Bank shall publish information on its securities issues in such volume, in such time brackets and in compliance with such procedures as specified by the legislation of the Russian Federation.

12.7. The Bank shall post its performance indicators in monthly, quarterly and annual balance sheets, in the profit and loss statement, and in the annual report to be duly submitted to the Bank of Russia within the set time brackets.

12.8. After review by the Statutory Audit Commission, the annual financial statements, and the profit and loss statement of the Bank shall be approved by the General Shareholders Meeting and are to be published.

12.9. The Bank's fiscal year shall start on the 1<sup>st</sup> of January and finish on the 31<sup>st</sup> of December.

12.10. The Bank shall be obliged to keep documents envisaged by the Federal Law «On Joint-Stock Companies», this Charter, the Bank's by-laws, resolutions of the General Shareholders Meeting, Supervisory Council, Management Board and President and Chairman of the Management Board, as well as other document stipulated by the applicable Russian legislation.

12.11. The Bank shall provide its shareholders with access to the documents specified in Clause 12.10 hereof. Shareholders (shareholder) owning not less than 25 per cent of the Bank voting shares in the aggregate shall have access to accounting and financial documents, as well as to Minutes of the Management Board.

The Bank shall provide any interested person with access to the information about its equity (capital) amount defined as set forth by the Bank of Russia.

Such documents shall be made available at the premises of the Bank's executive body within seven business days from a relative request. Upon the request of the persons eligible for the access to such documents, the Bank shall also provide copies of the documents to such persons. The fee charged for the document copies cannot be higher than the actual cost of copying.

The Bank shall ensure that Bank shareholders have access to existing judicial acts concerning a court case related to the Bank's creation, management thereof, or participation therein, including to arbitration court rulings to begin proceedings on a case and to accept statements of case or a request to change the grounds or subject of a previously presented case. The Bank should make these documents available for review at the facilities of the Bank's executive body within three days following the date on which a shareholder issues a corresponding request. At the shareholder's request, the Bank shall provide the former with copies of these documents. The payment charged by the Bank for providing such copies shall not exceed the actual cost of their preparation.

If a shareholder fails to cover the Bank's expenses related to making copies of the Bank's documents under a previously received and executed request, the period of provision of the Bank's documents in response to subsequent requests shall begin on the date of receipt of such payment.

12.12. The Bank shall ensure the safety of its archives, including staff profiles, for the terms specified by federal laws and other RF regulations, as well as by a nomenclature list approved in compliance with these laws and regulations.

At the request of state or municipal bodies, legal entities or individuals, the Bank is obliged to provide free of charge any duly executed archive copy or extract of record related to social security of people, their retirement plans, benefits and compensations payable in compliance with applicable Russian legislation, if the correspondent archive documents are available in the Bank.

### **XIII. GENERAL SHAREHOLDERS MEETING**

13.1. The General Shareholders Meeting is the Bank's highest governance body.

13.2. The terms of reference of the General Shareholders Meeting shall include:

- 1) Review and approval of the Bank's Charter;
- 2) Reorganization of the Bank;
- 3) The Bank's liquidation, appointment of a liquidation commission, approval of interim and final liquidation balances;
- 4) Determining the number of members to be elected to the Bank's Supervisory Council, their election and early termination of their powers: remunerations and compensations to the Supervisory Council members for performing their functions;
- 5) Determining the number, face value, category (type) of authorized shares and the rights they entitle to;
- 6) Increase of the Bank's charter capital by increasing nominal share value or by placing additional shares, except where such actions are within the terms of reference of the Bank's Supervisory Council;

7) Decrease of the Bank's charter capital by decreasing nominal share value, by repurchasing part of the Bank's shares in order to reduce their total number, and by redeeming the purchased or bought out shares;

8) Election of the Bank's Statutory Audit Commission members and their early removal; decision on remunerations and compensations to be paid to them;

9) Approval of the Bank's independent auditor;

10) Payment (announcement) of dividends for the first three months, six months, and nine months of the financial year.

11) Approval of annual reports and accounting (financial) statements, including profit and loss statement of the Bank, as well as distribution of profit (including dividend payment (announcement) except for the profit distributed as dividends based on its first quarter, six month and nine month results), and of losses incurred for the fiscal year;

12) Setting procedures for holding a the General Shareholders Meeting;

13) Splitting and consolidation of shares;

14) Approval of interested party transactions as required by the Federal Law «On Joint-Stock Companies» and this Charter;

15) Approval of major transactions as required by the Federal Law «On Joint-Stock Companies» and this Charter;

16) Buy-out of the Bank's outstanding shares as required by the Federal Law «On Joint-Stock Companies» and this Charter;

17) Decision on the Bank's participation in associations and other groups of commercial entities;

18) Approval of by-laws regulating activities of the General Shareholders Meeting, Supervisory Council, Management Board and Statutory Audit Commission;

19) the adoption of a resolution to declare a delisting of Bank shares and/or Bank issue-grade securities convertible into shares;

20) Decision-making on any other matter as provided in the Federal Law «On Joint-Stock Companies».

No matters falling within the terms of reference of the General Shareholders Meeting can be transferred to any executive body of the Bank.

The General Shareholders Meeting shall not be entitled to consider and adopt resolutions on any matters which are beyond its terms of reference according to the Federal Law «On Joint-Stock Companies» and this Charter.

13.3. General Shareholders Meetings can be annual and extraordinary. The Bank shall hold an annual General Shareholders Meeting every year but not earlier than two months and not later than six months after the end of the fiscal year.

Agenda of Annual General Shareholders Meetings shall include election of Supervisory Council and Statutory Audit Commission members, appointment of the Bank's auditor, issues specified by Paragraph 11 Clause 13.2 hereof; and other issues falling within the terms of reference of the General Shareholders Meeting. Any General Shareholders Meeting held besides the Annual General Shareholders Meeting shall be deemed extraordinary.

13.4. Resolutions of the General Shareholders Meeting for any issue put to the vote shall be made by a simple majority of votes cast by shareholders owning voting shares and participating in the Meeting, unless otherwise stipulated by the Federal Law «On Joint-Stock Companies» or this Charter.

Resolutions for issues specified in Paragraphs 2, 6, 14 - 19 Clause 13.2 hereof shall only be adopted by the General Shareholders Meeting if proposed by the Supervisory Council.

Resolutions for issues specified in Paragraphs 1-3,5,17 and 20 Clause 13.2 hereof shall be adopted by a three-quarters majority vote cast by shareholders holding voting shares and participating in the General Shareholders Meeting, unless otherwise

stipulated by federal laws.

Resolutions for issues specified in Paragraph 20 of clause 13.2 of this Charter shall be effective, provided that the total number of shares whose buyback has been declared is not higher than the number of shares that could be bought back by the Bank, in light of the restriction established by clause 5 of article 76 of the Federal Law «On Joint-Stock Companies».

The General Shareholders Meeting cannot adopt any resolution for issues not included in its agenda; neither can it change the agenda.

13.5. A General Shareholders Meeting can adopt resolutions without holding a meeting (i.e. without a joint presence of shareholders to discuss and make decision as to issues put to the vote) by holding absentee ballot.

The General Shareholders Meeting which is to elect members of Supervisory Council and Statutory Audit Commission, to appoint the Bank's auditor and discuss issues specified in Paragraph 11 Clause 13.2 hereof cannot be held by absentee ballot.

Information on the date of preparing the list of persons entitled to participate in the General Shareholders Meeting shall be disclosed by the Bank at least 7 days before such date.

13.6. A list of persons entitled to participate in the General Shareholders Meeting is based on the Bank's Shareholder Register.

The date for compiling the list of persons with the right to participate in the General Shareholders Meeting may not be set earlier than 10 days following the date the resolution is adopted to hold the General Shareholders Meeting, or more than 50 days prior to, or in the instance provided for by clause 2 of article 53 of the Federal Law "On Joint-Stock Companies", more than 80 days prior to the date on which the General Shareholders Meeting is to be held.

The Bank shall disclose information on the date for compiling the list of persons with the right to participate in the General Shareholders Meeting at least 5 days prior to that date.

The list of persons entitled to participate in the General Shareholders Meeting shall specify the following: name of the person, identification details, number and category (type) of voting shares, postal address within the Russian Federation for delivering ballot papers.

The Bank can disclose the list of persons entitled to participate in the General Shareholders Meeting to any persons included therein and having more than one per cent of the votes at the request of such persons. But identification details and postal addresses of individuals included in such list can only be disclosed if agreed with these persons.

At the request of any interested person, the Bank shall within three days provide it with an extract from the List of persons entitled to participate in the General Shareholders Meeting containing information about this person, or a statement that such person is not included in the List.

Any amendment to the List of persons entitled to participate in the General Shareholders Meeting can only be made to rehabilitate the persons not included therein at the record date, or to correct any mistake made.

13.7. A notice on holding the General Shareholders Meeting shall be made public at least 30 days prior to the meeting unless otherwise specified by the legislation of the Russian Federation.

Within the above time brackets, the notice on holding the General Shareholders Meeting shall be posted on the Bank's Internet site at the address:

www.vtb.ru. Ballot papers are delivered by ordinary post.

13.8. The notice on the General Shareholders Meeting shall include the following information:

- Full corporate name of the Bank and its location;
- Form of holding the General Shareholders Meeting (meeting or absentee ballot);
- Date, location (address of the place where the Meeting is to be held), time schedule of holding the General Shareholders Meeting and the postal address where the executed ballot papers can be sent to, or in case of absentee ballot, the deadline for receiving ballot papers and postal address where the executed ballot papers must be sent to;
- Registration period for participants of the General Shareholders Meeting;
- Registration place for participants of the General Shareholders Meeting;
- Record Date of the List of persons entitled to participate in the General Shareholders Meeting;
- Agenda of the General Shareholders Meeting; and
- Access procedures as to information (materials) to be disclosed before the General Shareholders Meeting and address (addresses) where such information (materials) shall be available.

13.9. Shareholder(s) holding in the aggregate at least two per cent of the Bank's voting shares can propose issues to be included in the General Shareholders Meeting's agenda or propose nominees to be elected as the Bank's Supervisory Council, or Statutory Audit Commission, with the number of nominees not exceeding the approved number of such bodies' members. Such proposals are to be submitted to the Bank within 60 days after the end of the fiscal year.

Proposal to include an issue to the General Shareholders Meeting's agenda or proposals of nominees to be elected shall be made in written form, specify the name of the relative shareholder(s), number and category (type) of shares they own, and be signed by the shareholder(s).

Proposals to include an issue to the General Shareholders Meeting's agenda shall include the wording of each issue proposed. Proposals of nominees to be elected shall specify the name of each nominee, details of its identification document (the series and/or number of the document, date and place of its issuance, and the issuing body), and the name of body the nominee is to be elected to. Proposal of an issue to the agenda may also include draft resolution for such issue.

The Bank's Supervisory Council shall consider the proposals submitted and decide on either their inclusion into the General Shareholders Meeting's agenda or rejection within five days after the end of the submission period specified in paragraph one of this Clause. Any issue proposed by shareholder(s) to be included in the General Shareholders Meeting's agenda, as well as any nominee proposed for election to a relative body of the Bank shall be included in the agenda or voting list, respectively, unless:

- Shareholder(s) fail to comply with the submission period specified in paragraph one of this Clause;
- Shareholder(s)' shareholdings are less than those specified in paragraph one of this Clause;
- The proposal does not comply with requirements specified in paragraphs 2 and 3 of this Clause; or
- The issue proposed to be included in the General Shareholders Meeting's agenda does not fall within its terms of reference and (or) does not comply with the Federal Law "On Joint-Stock Companies" or any other applicable legislation.

A well-grounded decision of the Bank's Supervisory Council rejecting the proposal of an issue or a nominee shall be delivered to the shareholder(s) submitting such proposal within three days after the decision is made.

The Bank's Supervisory Council shall not be entitled to make any amendment in the wording of issues proposed to be included in the General Shareholders Meeting's agenda, or relative draft resolutions.

In addition to issues proposed to be included into the General Shareholders Meeting's agenda by shareholders, as well as in the absence of such proposals, absence or insufficient number of proposed nominees to form a relative body, the Bank's Supervisory Council is entitled to include such issues in the General Shareholders Meeting's agenda and propose such nominees for election as it deems necessary at its own discretion.

13.10. While preparing the General Shareholders Meeting, the Bank's Supervisory Council shall set the following:

- Form of such General Shareholders Meeting (meeting or absentee ballot);
- Date, place and time schedule for such General Shareholders Meeting, or in case of absentee ballot – deadline for accepting ballot papers and the postal address for the executed ballot papers to be sent to;
- the start time for registering persons participating in the General Shareholders Meeting (when the General Shareholders Meeting is held in the form of a physical meeting);
- Date for drafting list of persons entitled to participate in the General Shareholders Meeting;
- Agenda of the General Shareholders Meeting;
- Procedures for advising shareholders of the General Shareholders Meeting;
- List of information (materials) to be disclosed to shareholders while preparing the General Shareholders Meeting; access procedures; and
- Form and text of a ballot paper.

A General Shareholders Meeting of the Bank shall be held at one of the following cities: Saint Petersburg, Moscow, Yekaterinburg, Stavropol, Krasnodar, Kaliningrad, Nizhny Novgorod, Kazan, Voronezh, Novosibirsk, Krasnoyarsk, Khabarovsk, Vladivostok.

13.11. Extraordinary General Shareholders Meeting may be called by the Supervisory Council on its own initiative, or at the request of the Statutory Audit Commission, the Bank's auditor, or shareholder(s) owning in the aggregate at least 10 per cent of the voting shares of the Bank dated the request date.

An extraordinary General Shareholders Meeting at the request of the Statutory Audit Commission, the Bank's auditor, or shareholder(s) owning in the aggregate at least 10 per cent of the voting shares of the Bank shall be convened by the Supervisory Council within 50 days after the request for convening an extraordinary General Shareholders Meeting is made.

If the proposed agenda for an Extraordinary General Shareholders Meeting includes the matter of electing members of the Bank's Supervisory Council, then that General Shareholders Meeting should be held within 95 days following the moment the request to hold the Extraordinary General Shareholders Meeting is submitted.

The request for convening an extraordinary General Shareholders Meeting shall contain issues to be included in the agenda of such meeting; it may also contain draft resolutions and proposal as to the form of holding the General Shareholders Meeting. If the request contains a proposal of nominees, then it falls under provisions of Clause 13.9 hereof.

The Supervisory Council shall not be entitled to make any amendment in the

wording of issues proposed to be included in the agenda, or relative draft resolutions, or proposed form of the extraordinary General Shareholders Meeting to be convened at the request of the Statutory Audit Commission, the Bank's auditor, or shareholder(s) owning in the aggregate at least 10 per cent of the voting shares.

The request for the extraordinary General Shareholders Meeting made by shareholder(s) shall contain the names of such shareholder(s) and the number and category (type) of the shares they own. Any request for an extraordinary General Shareholders Meeting shall be signed by the person(s) initiating the request.

Within five days after the request is made by the Statutory Audit Commission, the Bank's auditor, or shareholder(s) owning in the aggregate at least 10 per cent of the voting shares of the Bank to convene an extraordinary General Shareholders Meeting a decision shall be made either to convene such meeting or to reject the request for its convention.

Decision to reject the request to convene an extraordinary General Shareholders Meeting made by the Statutory Audit Commission, the Bank's auditor, or shareholder(s) owning in the aggregate at least 10 per cent of the voting shares of the Bank may be made in the following circumstances:

- The procedure for submitting a request to convene an extraordinary General Shareholders Meeting has not been exactly followed;
- shareholder(s) requesting for an extraordinary General Shareholders Meeting do not own the shares specified in Paragraph 1 of this Clause;
- neither of the issues proposed to be included in the General Shareholders Meeting's agenda fall within its terms of reference and (or) comply with the Federal Law "On Joint-Stock Companies" or any other applicable legislation.

A decision made by the Bank's Supervisory Council to convene an extraordinary General Shareholders Meeting or reasons for a rejection to convene it shall be delivered to the person(s) requesting for such meeting within three days after such decision is made.

If the Bank fails to make a decision to convene an extraordinary General Shareholders Meeting or to reject the request for its convention within the time brackets set by the Federal Law «On Joint-Stock Companies», the Bank's body or persons requesting for its convention can appeal to the court to enforce the Bank to hold an extraordinary General Shareholders Meeting.

13.12. At a General Shareholders Meeting, the functions of a Counting Board shall be performed by the Bank's Shareholder Register's holder.

13.13. A shareholder may exercise its right to participate in the General Shareholders Meeting either in person or by proxy. Shareholder may at any time change its representative at the meeting or attend it in person.

Shareholder's representative at the General Shareholders Meeting shall act as empowered by federal legislation, regulations of authorized state bodies or local bodies, or written proxy. Such proxy shall bear information of proxy issuer and proxy holder (for an individual - name, details of its identification document (the series and/or number of the document, date and place of its issuance, and the issuing body), for a legal entity – name and location).

In the case when shares are transferred after the List of persons entitled to participate in the General Shareholders Meeting is made but before the date of the General Shareholders Meeting, the person included in the List shall be obliged to issue a proxy to the buyer of such shares or to vote at the General Shareholders Meeting as instructed by the buyer if so stipulated by the share transfer agreement.

If a Bank share is owned by several persons, the voting right at the General Shareholders Meeting shall be exercised either by one of such persons at its own discretion or by their common. In both cases powers of such persons are to be duly



formalized.

13.14. General Shareholders Meeting shall be deemed authorized (or having a quorum) if attended by shareholders owning in the aggregate more than half of the Bank's outstanding voting shares.

Shareholders shall be recognized as attending the General Shareholders Meeting if they are duly registered or if they submit their ballot papers at least two days prior to the date of such General Shareholders Meeting. Shareholders shall be recognized as voting by absentee ballot if their ballot papers are submitted before the deadline set.

If the General Shareholders Meeting's agenda includes issues to be voted by different voters, the quorum requirements for such voting is to be decided on a case-by-case basis. If the necessary quorum is not available for some of such issues, it shall not prevent shareholders from voting under the other issues where the quorum is sufficient.

If the necessary quorum requirement is not met for holding an annual General Shareholders Meeting, a repeated General Shareholders Meeting with the same agenda must be held. If there is no sufficient quorum for holding an extraordinary General Shareholders Meeting, a repeated General Shareholders Meeting with the same agenda may be held.

A repeated General Shareholders Meeting shall be deemed authorized (or having a quorum), if shareholders accounting for at least 30 per cent of the Bank's outstanding voting shares are present at the meeting.

Notice of a repeated General Shareholders Meeting shall be delivered in compliance with Clauses 13.7. – 13.8. hereof. When holding a repeated General Shareholders Meeting within 40 days after the scheduled General Shareholders Meeting failed, the persons entitled to participate in a repeated meeting shall be selected in compliance with the List of persons entitled to participate in the scheduled meeting.

13.15. The General Shareholders Meeting shall be run by Chairman of the Bank's Supervisory Council or, if absent, by one of the Supervisory Council members approved by the Council.

13.16. The General Shareholders Meeting votes on the basis of the principle "one vote per one voting share", except for the cumulative voting to be held in cases stipulated by this Charter and the Federal Law «On Joint-Stock Companies».

13.17. Minutes of the General Shareholders Meeting shall be executed in two copies within 3 business days after the General Shareholders Meeting. Both copies are to be signed by the Chairperson and Secretary of the General Shareholders Meeting.

Extracts from the Minutes shall be signed by the Secretary of the Bank's General Shareholders Meeting.

13.18. General Shareholders Meeting shall be held in compliance with the legislation of the Russian Federation, the Charter and Regulation on Preparing, Convening and Holding General Shareholders Meetings to be approved by the Bank's General Shareholders Meeting.

#### **XIV. SUPERVISORY COUNCIL**

14.1. The Supervisory Council shall perform the Bank's general governance except for issues referred by the Federal Law "On Joint-Stock Companies" to the terms of reference of the General Shareholders Meeting.

By a decision of the General Shareholders Meeting, existing members of the

Bank's Supervisory Council can get remuneration and (or) compensation for expenses related to their responsibilities. Amount of such remuneration and compensations shall be set by the General Shareholders Meeting.

14.2. The Bank's Supervisory Council shall be responsible for the following issues:

- 1) Setting the Bank's priority business lines;
- 2) Convening annual and extraordinary General Shareholders Meetings of the Bank except for cases stipulated in Clause 8 Article 55 of the Federal Law «On Joint-Stock Companies»;
- 3) Approval of the agenda of the General Shareholders Meeting;
- 4) Setting the record date for drafting a list of persons entitled to participate in the General Shareholders Meeting, and making other decisions referred to its responsibilities by Chapter VII of the Federal Law "On Joint-Stock Companies" and related to preparing and holding the General Shareholders Meeting;
- 5) Increasing the Bank's charter capital by placing additional shares within the number and categories (types) of the authorized shares as stipulated by the Federal Law «On Joint-Stock Companies» and the Charter;
- 6) Placing the Bank's bonds or other securities except shares;
- 7) Setting price for (appraising) property; securities offer prices (except for offer prices of bonds which may not be converted into the Bank's shares) or the procedure of determination thereof as well as securities buyout prices as stipulated by the Federal Law «On Joint-Stock Companies»;
- 8) Repurchasing the Bank's shares and other securities as stipulated by the Federal Law «On Joint-Stock Companies» or other federal laws;
- 9) Forming the Bank's Management Board, defining the number of its members, their election and early removal, appointment and early removal of President and Chairman of the Management Board, and setting the amount of remuneration and compensation to President and Chairman of the Management Board and the Board members;
- 10) Recommendations as to amount of remuneration and compensation to members of the Statutory Audit Commission; and remuneration to the Bank's auditor;
- 11) Recommendations as to dividend amount and payment procedures;
- 12) Application of the Reserve Fund, approval of other funds of the Bank;
- 13) Approval of the Bank's by-laws except for those falling within the terms of reference of the General Shareholders Meeting in compliance with the Federal Law «On Joint-Stock Companies» and the Charter, and those which are to be approved by executive bodies of the Bank in compliance with the Charter;
- 14) Opening and closing branches and representative offices of the Bank, as well as changing the status of branches into internal divisions of the Bank (branch);
- 15) Approval of interested party transactions and major transactions related to property acquisition or disposal by the Bank as stipulated by the Federal Law «On Joint-Stock Companies» and the Charter;
- 16) Preliminary approval of the Bank's annual report;
- 17) Approval and making a decision to remove the head of the Bank's Division in charge of internal audit;
- 18) Approval of the Bank's Registrar, terms of agreement to be signed with it, termination thereof;
- 19) Declaring a listing of Bank shares and/or Bank issue-grade securities convertible into Bank Shares;
- 20) Establishing committees of the Bank's Supervisory Council, approving regulations on their activities, and considering performance reports of such committees;
- 21) Appointing and removing the Bank's Corporate Secretary, approving the

regulation on the Bank's Corporate Secretary, assessing of the Corporate Secretary's performance and approving Corporate Secretary performance reports;

22) Approving risk management policy, considering annual reports of risk management status and efficiency;

23) Approving regulation on internal control at the Bank;

24) Approving regulation on the Bank's division in charge of internal audit;

25) Approving Action Plans and considering Performance Reports of the Bank's division in charge of internal audit;

26) Considering Quarterly Reports of the Controller of the Bank's professional activity in the securities market;

27) Considering Quarterly Reports of the Controller of the Bank's Specialized Depository;

28) Considering Quarterly Reports on the results of internal control over insider trading and market manipulation prevention;

29) Assessing the Bank's corporate governance system;

30) Approving the Bank's Corporate Governance Code;

31) Approving the Bank's Code of Ethics;

32) Decision-making on participation and termination of participation of the Bank in subsidiary companies;

33) Approving the Bank's risk and capital management strategy, including ensuring that internal funds (capital) and their liquidity are sufficient to cover risks, both for the Bank as a whole and for its various business lines, and confirming the procedure for managing the Bank's most significant risks and controlling for the implementation of this procedure;

34) Approving the procedure for applying banking methodologies for risk management and models for quantitative risk assessment (in the instance provided for by article 72.1 of the Federal Law "Concerning the Central Bank of the Russian Federation (Bank of Russia)"), including asset and liability valuation, the Bank's off-balance sheet claims and liabilities, and stress-testing scenarios and results;

35) Approving the procedure for preventing conflicts of interest, a plan for restoring financial solvency in the event of a significant worsening of the Bank's financial position, an action plan to ensure the Bank's uninterrupted activity and/or restoration of activity in the event of unusual or extreme situations;

36) Conducting assessments, based on reports from the Bank's internal audit division, of compliance by the Bank's sole executive body and collective executive body with the strategies and procedures approved by the Bank's Supervisory Council;

37) Taking decisions regarding the obligations of members of the Bank's Supervisory Council, and conducting assessments of its own work and submitting the results thereof to the Bank's General Shareholders Meeting;

38) Approving the Bank's human resources policies;

39) Approving the Bank's policies with regard to wages and controlling for their implementation;

40) Approving the Bank's procurement policies with regard to goods, works and services;

41) Appointing and dismissing the Bank's specialized depository controller;

42) Approving rules for organizing and implementing internal control at the Bank's specialized depository;

43) Other issues as provided for by the Federal Law "On Joint-Stock Companies" and the Charter.

No issues falling under the terms of reference of the Supervisory Council can be transferred to the Bank's Management Board or President and Chairman of the Management Board.

14.3. The number of Supervisory Council members shall be defined by the General Shareholders Meeting in compliance with the Federal Law "On Joint-Stock Companies". Supervisory Council member are elected by cumulative voting. Those nominees shall be considered as elected members of the Supervisory Council who got majority of votes.

14.4. Supervisory Council members shall be elected by the General Shareholders Meeting in compliance with procedures specified in the Federal Law "On Joint-Stock Companies" and the Charter, and serve as such till the next annual General Shareholders Meeting. If the annual General Shareholders Meeting is not held within the period specified in Clause 13.3 hereof, the responsibilities of the Supervisory Council shall be deemed terminated except for responsibilities for preparing, convening and holding the annual General Shareholders Meeting.

Members of the Bank's Supervisory Council and candidates for these positions should meet the business reputation requirements stipulated in article 16 of the Federal Law "On Banks and Banking Activity", and the qualification requirements set in accordance with federal laws..

The Bank's Supervisory Council members may be re-elected an unlimited number of times.

The General Shareholders Meeting can remove the Bank's Supervisory Council members.

14.5. Only individuals can serve as members of the Bank's Supervisory Council. And a member of the Supervisory Council may not necessarily be a shareholder of the Bank.

Members of the Management Board cannot account for more than one fourth of the Supervisory Council membership. A person performing the functions of President and Chairman of the Management Board cannot simultaneously be a Chairman of the Bank's Supervisory Council.

14.6. Chairman of the Bank's Supervisory Council is elected by and from among the members of the Supervisory Council by a majority vote out of the total membership of the Supervisory Council.

The Supervisory Council may at any time re-elect its Chairman by a majority vote out of the total membership of the Supervisory Council.

Chairman of the Supervisory Council shall arrange its activities, call and run its meetings, see to it that minutes of the meetings are duly taken, and act as a Chairman at the Bank's General Shareholders Meeting.

If the Chairman of the Bank's Supervisory Council is absent, its functions shall be performed by one of the Supervisory Council members approved by the Council.

14.7. Supervisory Council Chairman shall call a meeting of the Council either on its own initiative, or at the request of a member of the Supervisory Council, Statutory Audit Commission, the Bank's auditor, Management Board or President and Chairman of the Management Board.

Procedures for convening and holding a meeting of the Supervisory Council are defined by the Regulation on the Supervisory Council approved by the General Shareholders Meeting.

14.8. Quorum for holding a meeting of the Bank's Supervisory Council shall be half of its elected members. Should the number of the Supervisory Council members become less than the quorum requirement, the Supervisory Council shall be obliged to convene an extraordinary General Shareholders Meeting to elect new members of the Supervisory Council. The remaining members can only make a decision to convene this extraordinary General Shareholders Meeting.

14.9. Supervisory Council shall make its decisions by a majority of votes cast by the participating members of the Supervisory Council except for decisions on the charter capital increase through a placement of additional shares (the Bank's issue-

grade securities convertible into shares), approval of major transactions or interested party transactions, as well as appraisal of property or services to be disposed of or purchased under interested party transactions.

In decision-making each member of the Supervisory Council is entitled to one vote, which cannot be transferred to any other person, including another member of the Supervisory Council. In case of a tie vote, the Chairman of the Supervisory Council shall have a casting vote.

An absent member of the Supervisory Council can submit its written opinion on the issues put on the Agenda of the meeting of the Supervisory Council, which is to be eligible for the quorum and vote counting.

14.10. Every meeting of the Supervisory Council shall be recorded in the Minutes which are to be finalized within three days after the meeting and be signed by the Chairperson of the meeting who will be responsible for the Minutes' accuracy and by the Secretary of the Supervisory Council.

Minutes of the Supervisory Council meeting shall contain:

- Time and place of the Meeting;
- List of persons attending the Meeting;
- The Meeting Agenda;
- Issues put to the vote and voting results; and
- Resolutions adopted. Extracts from the Minutes of the Supervisory Council

meetings shall be signed  
by the Secretary of the Supervisory Council.

14.11. The Supervisory Council may make a decision by absentee ballot (or opinion poll).

Supervisory Council shall not be entitled to make decisions by absentee ballot on the following issues:

- setting priority lines of the Bank's performance;
- convening of an annual General Shareholders Meeting and making decisions required for its convening and holding;
- election and re-election of the Supervisory Council Chairman;
- formation of executive bodies of the Bank and early termination of their responsibilities;
- submitting proposals of the Bank's reorganization or liquidation to be considered by the General Shareholders Meeting; and
- increase in the Bank's charter capital by placing additional shares within the number and categories (types) of authorized shares in the cases stipulated by the Federal Law "On Joint-Stock Companies" and this Charter.

14.12. When performing their functions, members of the Supervisory Council shall act in the interests of the Bank, with integrity and in good faith.

14.13. The Supervisory Council shall act in compliance with the legislation of the Russian Federation, the Charter and Regulation on the Supervisory Council approved by the Bank's General Shareholders Meeting.

To have its functions efficiently performed, the Supervisory Council can establish committees for various lines of its activities. Such committees of the Supervisory Council shall be established by a relative decision of the Bank's Supervisory Council out of its members. They shall be governed by the relative Regulations to be approved by the Supervisory Council.

## **XV. EXECUTIVE BODIES**

15.1. President and Chairman of the Management Board as a single-person executive body, and the Management Board as a collective executive body, shall be

responsible for the day-to-day management of the Bank. The executive bodies shall report to the Bank's General Shareholders Meeting and Supervisory Council.

The Bank's executive bodies are formed and dissolved by a decision of the Supervisory Council which shall also determine the quantitative and individual membership of the Board.

Terms of services of President and Chairman of the Management Board and other members of the Management Board shall be set in the Supervisory Council's decision on the formation of the executive bodies and shall not exceed five years.

Deputy Chairmen of the Management Board are *ex officio* members of the Management Board.

15.2. Terms of reference of the executive bodies shall include all issues related to day-to-day activities of the Bank except for issues falling within the scope of activities of the Bank's General Shareholders Meeting and Supervisory Council.

Executive bodies shall be in charge of implementing resolutions adopted by the General Shareholders Meeting and decisions made by the Supervisory Council.

15.3. Rights and responsibilities of the President and Chairman of the Management Board, as well as those of the Board members shall be set by Federal Law "On Joint-Stock Companies", other applicable Russian legislation, the Charter and a contract to be signed between the Bank and each of them. On behalf of the Bank, such contract shall be signed by Chairman of the Bank's Supervisory Council or any other person authorized by the Supervisory Council. Contracts with the President and Chairman of the Management Board and the Board members cannot be signed for a longer term than their terms of reference set by a relative decision of the Supervisory Council.

Only those provisions of the Labor legislation shall apply to relationship between the Bank and President and Chairman of the Management Board and (or) members of the Board which do not contradict the Federal Law «On Joint-Stock Companies». Members of the Management Board having an employment contract with the Bank shall fall under Article 43 of the Labor Code of the Russian Federation.

Neither President and Chairman of the Management Board nor members of the Board may hold positions of head, chief accountant at other organizations that are credit institutions, insurance or clearing organizations, professional securities market participants, organizers of trade on commodity and/or financial markets, or at joint-stock investment funds, the specialized depositaries at investment funds, private pension funds, organizations engaged in retirement savings programs and retirement insurance, or related to the management of investment funds, joint-stock investment funds, mutual funds, and private pension funds, at organizations that are involved in leasing activity or are entities affiliated with the Bank; they may not engage in entrepreneurial activity without forming a legal entity. These limitations shall not apply to participation of President and Chairman of the Management Board and members of the Board in Board of Directors (Supervisory Councils) of other legal entities. If a credit institution is a subsidiary of the Bank, a single person executive body of such subsidiary can be elected to the Bank's Management Board, but cannot be elected its Chairman.

Participation of a person performing the functions of President and Chairman of the Management Board, and members of the Board in governance bodies of other legal entities shall only be permitted if approved by the Bank's Supervisory Council.

15.4. The Supervisory Council shall at any time be entitled to remove the President and Chairman of the Management Board and members of the Board by terminating the contracts with them and make a decision to form new executive bodies of the Bank.

15.5. President and Chairman of the Management Board may:

- act on behalf of the Bank without any power of attorney, represent the Bank's

interests,

- enter into transactions and sign documents for the Bank;
- decide on opening (closing) internal structural divisions of the Bank (of a branch) except for additional and operational offices of the Bank;
- approve the staff list;
- issue orders and give instructions binding on all staff members of the Bank;
- issues internal regulations and by-laws of the Bank (except for regulations to be approved by the General Shareholders Meeting or the Supervisory Council);
- issue powers of attorney, set procedures for signing agreements and contracts, and for issuing powers of attorney; select officials authorized to represent the Bank in relationships with third parties;
- decide on the Bank's participation in or exit from other institutions (except for associations and other groups of commercial entities) if such participation (its aggregate asset contribution) does not exceed 5 per cent of authorized or stock capital (assets) of such institution;
- act as Employer in labor relationships in compliance with the Labor Code of the Russian Federation entering and terminating employment contract with the Bank employees, stimulating the best performers or imposing disciplinary sanctions;
- approve nominees to be elected deputy branch managers and deputy chief accountants of a branch; and
- make other decisions on the Bank's day-to-day activities.

President and Chairman of the Management Board can transfer the responsibility to decide on some issues falling within its terms of reference to members of the Board, heads of the Bank's branches and representative offices, other persons.

President and Chairman of the Management Board may submit some issues to the Supervisory Council for its approval.

When absent, President and Chairman of the Management Board can transfer its responsibilities to one of the Board members.

15.6. Management Board is a collective executive body of the Bank headed by President and Chairman of the Board. The Board shall be guided by the Federal Law "On Joint-Stock Companies", the Charter and the Regulation on the Board to be approved by the General Shareholders Meeting.

Terms of reference of the Board shall include the following:

- implementing resolutions approved by the General Shareholders Meeting and decisions made by the Supervisory Council;
- providing adequate working environment for the General Shareholders Meeting, Supervisory Council and Statutory Audit Commission of the Bank;
- reviewing the Bank's financial statements, including those prepared under the IFRS;
- making decisions on the publication of financial statements prepared under the IFRS;
- making decisions on the Bank's participation in or exit from other institutions if the Bank's participation (its aggregate asset contribution) exceeds 5 per cent of the authorized or stock capital (assets) of such institution (save for participations in associations and other unions of commercial institutions, and also participation in subsidiary companies);
- opening additional and operational offices of the Bank;
- setting a fee for the Bank's lost card recovery;
- defining the scope of information qualified as business secrets, and setting procedures for safeguarding business secrets at the Bank;
- approving Regulations on the Bank's branches and representative offices, as well as collective bodies and structural divisions of the Bank;

- submitting materials to the Supervisory Council for its approval;
- approving nominees to be appointed branch managers and chief accountants of the Bank's branches;
- approving a Branch standard organizational structure and remuneration system;
- approving the Bank's performance results for the reporting period and decision-making on bonuses to the Bank's employees;
- reviewing the Bank structural divisions' performance reports;
- approving the Bank's budgeting for the next fiscal year;
- writing off unrecoverable loan debt out of the loan impairment provisions; and
- other issues related to the Bank's day-to-day activities submitted to the Management Board for its approval by President and Chairman of the Board.

15.7. Quorum for holding a meeting of the Management Board shall be half of elected members of the Management Board. Should the number of the Management Board members become less than the quorum requirement, the Supervisory Council shall be obliged to make a decision to form the Management Board.

15.8. President and Chairman of the Management Board shall arrange its meetings to be held when necessary but not less than once per month. A meeting of the Management Board can be called by the Supervisory Council.

The Management Board shall make its decisions by a majority of votes cast by the attending members. None of the Board members can transfer its vote to another person, including another Board member. In case of a tie vote, the President and Chairman of the Management Board shall have a casting vote.

The Management Board may make a decision by absentee ballot (or opinion poll) provided that at least half of its elected members participate in such voting.

15.9. Each meeting of the Management Board shall be recorded in the Minutes. The Minutes shall be made available to members of the Supervisory Council, Statutory Audit Commission, the Bank's auditor and shareholder(s) owning at least 25 per cent of the Bank's voting shares in the aggregate, at their request.

## **XVI. RESPONSIBILITIES OF GOVERNANCE BODIES' MEMBERS**

16.1. When exercising their rights and liabilities, members of the Bank's Supervisory Council, President and Chairman of the Management Board and members of the Board shall act in the interests of the Bank, with integrity and in good faith.

16.2. Members of the Supervisory Council, President and Chairman of the Management Board and members of the Management Board shall be held liable to the Bank for the losses caused to the Bank by their actions or failure to act, unless other liabilities are specified by applicable federal legislation.

Members of the Supervisory Council, President and Chairman of the Management Board and members of the Management Board shall be held liable to the Bank for the losses caused by their actions (or failure to act) violating the procedure for purchasing shares of a joint-stock company as specified by Chapter XI.1 of the Federal Law "On Joint-Stock Companies".

In such cases, those members of the Supervisory Council or Management Board who voted against a decision resulting in the losses of the Bank or its shareholder or did not participate in such voting shall not be held liable.

16.3. When defining the reasons for and scope of liability of the members of the Bank's Supervisory Council, President and Chairman of the Management Board and (or) members of the Management Board, consideration shall be given to ordinary business environment and other material circumstances.

16.4. If under the present Article liability is vested with several persons, it shall be considered a joint liability towards the Bank.

16.5. The Bank or its shareholder(s) owning at least one per cent of the



outstanding ordinary shares of the Bank shall be entitled to file a claim against a member of the Supervisory Council, President and Chairman of the Management Board and (or) a member of the Management Board to be reimbursed for losses caused to the Bank in the case specified in the first paragraph of Clause 16.2 hereof.

16.6. Persons under the business reputation requirements in accordance with the Federal Law "On Banks and Banking Activity" who have become aware of a fact suggesting that their business reputation is no longer sufficient must notify the Bank thereof in writing within two working days.

## **XVII. MAJOR TRANSACTIONS, INTERESTED PARTY TRANSACTIONS**

17.1. A major transaction is a single transaction (including a loan, credit, pledge or guarantee) or a number of interrelated transactions involving an acquisition or disposal, or possibility of disposal (whether direct or indirect) of property accounting for 25 per cent or more of the balance sheet value of the Bank's assets as determined by its latest financial statements, with the exception of transactions conducted in the ordinary course of business, transactions related to placement of the Bank's ordinary shares through a subscription (secondary market sale), transactions related to placement of issue-grade securities convertible into ordinary shares of the Bank, and transactions which the Bank is obliged to perform under federal laws and/or other regulations of the Russian Federation and which are settled according to prices set by the Government of the Russian Federation, or according to prices and fees set by a federal executive body authorized by the Government of the Russian Federation.

In the case of actual or possible disposal of the property having a balance sheet value, the Bank shall define the disposal price of such property according to its balance sheet value; in the case of property acquisition the Bank shall set an acquisition price.

For the Supervisory Council or General Shareholders Meeting to approve a major transaction, the disposal or acquisition price of such property (services) shall be defined by the Supervisory Council in compliance with Clause 7.13 hereof.

17.2. A major transaction is subject to approval by either Supervisory Council or General Shareholders Meeting according to the Federal Law «On Joint-Stock Companies» and the Charter.

17.3. Major transactions involving property having a value ranging from 25 per cent to 50 per cent of the balance sheet value of the Bank's assets shall require unanimous approval by all existing members of the Supervisory Council.

If the Supervisory Council fails to unanimously approve a major transaction, its members can decide to submit such approval to the General Shareholders Meeting. In this case, a major transaction shall be approved by a majority of the issued voting shares participating in such General Shareholders Meeting.

17.4. Any major transaction involving property having a value in excess of 50 per cent of the balance sheet value of the Bank's assets shall require a three-quarters majority vote by the issued voting shares participating in the General Shareholders Meeting.

Approval of any major transaction shall specify its parties, beneficiary (beneficiaries), price, subject matter, and other material terms and conditions.

If a major transaction is also an interested party transaction, it shall only be governed by the Charter's provisions regulating such interested party transactions.

17.5. Interested party transactions (including a loan, credit, pledge or guarantee) include transactions involving a member of the Supervisory Council, President and Chairman of the Management Board, a member of the Board or a shareholder having together with their affiliates at least 20 per cent of the Bank's issued voting shares, as well as any other person who is able to give binding

direction to the Bank. Such interested party transactions shall be performed in compliance with the relative provisions of the Charter.

The above persons shall be recognized as interested in the Bank's transactions if those persons, their spouses, parents, children adoptive parents or children, brothers or sisters, and (or) their affiliates are:

- a party to, or beneficiary of a transaction, whether directly or as a representative or intermediary;
- the owner (individually or in the aggregate) of at least 20 per cent of shares of (participation in) a legal entity that is a party to, a beneficiary of a transaction, whether directly or as a representative or intermediary;
- a member of governance bodies of a legal entity that is a party to, a beneficiary of a transaction, whether directly or as a representative or intermediary; or a member of governance bodies of a company controlling such legal entity.

The provisions of this clause shall not apply to:

- transactions where all shareholders of the Bank are interested;
- shareholders' pre-emptive right to purchase the Bank's shares and issue-grade securities convertible into shares placed by the Bank, and also in the event of Bank placement by public offering of bonds non-convertible into shares;
- the Bank's repurchase or buy-out of its shares or bonds;
- the Bank's reorganization in the form of a company merger (acquisition); and
- transactions which are mandatory for the company to perform in compliance with the applicable federal legislation and (or) other legal acts of the Russian Federation and which are to be settled under prices set in accordance with the procedure established by the Government of the Russian Federation or under prices and tariffs set by the federal executive authority authorized by the Government of the Russian Federation.

17.6. Persons specified in Clause 17.5 above shall be obliged to notify the Supervisory Council, Statutory Audit Commission and the Bank's auditor of the following:

- any legal entity where they own either individually or together with their affiliate(s) at least 20 per cent of the voting shares (participation);
- any legal entity where they are a member of governance bodies; and
- any actual or proposed transaction where they can be recognized as interested parties.

17.7. An interested party transaction shall be approved prior to its execution by the Supervisory Council or by the General Shareholders Meeting.

The Supervisory Council shall approve an interested party transaction by a majority of votes of independent directors who are not interested in such transaction. If all members of the Supervisory Council appear to be interested in the transaction and (or) are not independent directors, such transaction is to be approved by the General Shareholders Meeting according to the procedure set herein.

A member of the Supervisory Council shall be recognized as an independent director if during the year preceding such decision it was not and is not presently:

- a person acting President and Chairman of the Management Board, or a member of the Management Board;
- a person whose spouse, parents, children, brothers or sisters, stepbrothers or stepsisters, adoptive parents or adopted children hold positions in these governance bodies of the Bank;
- an affiliated person of the Bank, except for a member of the Supervisory Council

Interested party transactions shall be subject to approval by the General Shareholders Meeting in the following circumstances:

- a transaction or a number of interrelated transactions involve property

accounting for 2 per cent or more of the balance sheet value of the Bank's assets as determined by its latest financial statements, except for transactions specified in the above paragraphs of this Clause;

- a transaction or a number of interrelated transactions involve placement through subscription or second market sale of shares accounting for more than 2 per cent of the Bank's outstanding ordinary shares, and ordinary shares which would result from a conversion of the issue-grade securities convertible into shares;

- a transaction or a number of interrelated transactions involve placement through subscription of issue-grade securities convertible into shares which could be converted into ordinary shares accounting for more than 2 per cent of the Bank's outstanding shares, and ordinary shares which would result from a conversion of the outstanding issue-grade securities convertible into shares.

17.8. Interested party transactions shall not require approval by the General Shareholders Meeting as specified in Clause 17.7 hereof, if terms and conditions of such transactions shall not materially differ from similar transactions performed by the Bank and an interested person in the course of the Bank's ordinary business before the person involved was identified as an interested person. This provision shall only apply to interested party transactions within a period starting from the interested party identification till the next General Shareholders Meeting.

17.9. Approval of any interested party transaction shall specify its parties, beneficiary (beneficiaries), price, subject matter, and other material terms and conditions.

17.10. The General Shareholders Meeting can make a decision to approve transaction(s) between the Bank and an interested party which could possibly be entered into during the Bank's ordinary course of business. In this case, the relative decision shall specify the limits for such transaction(s) and be binding until the next annual General Shareholders Meeting.

17.11. For the Supervisory Council or General Shareholders Meeting to approve an interested party transaction, the disposal or acquisition price of such property or services shall be defined by the Supervisory Council in compliance with Clause 7.13 hereof.

## **XVIII. FINANCIAL AND BUSINESS SUPERVISION**

18.1. Supervision over the Bank's financial and business activities shall be performed by the Statutory Audit Commission to be elected at every annual General Shareholders Meeting until the following annual General Shareholders Meeting. The quantitative and individual membership of the Commission shall also be set by the General Shareholders Meeting. None of the Statutory Audit Commission members can be members of the Bank's Supervisory Council, nor can they hold any other position in the Bank's governance bodies.

By a decision of the General Shareholders Meeting, existing members of the Statutory Audit Commission can get remuneration and (or) compensation for expenses related to their responsibilities. Amount of such remuneration and compensations shall be set by the General Shareholders Meeting.

Shares owned by Supervisory Council members or persons holding positions in the Bank's governance bodies shall not participate in voting when electing members of the Statutory Audit Commission.

18.2. The Statutory Audit Commission shall be governed by the Regulation on the Statutory Audit Commission to be approved by the General Shareholders Meeting.

Members of the Bank's Statutory Audit Commission shall be liable for not acting

in good faith while performing their duties in compliance with the legislation of the Russian Federation.

18.3. The Commission shall audit (check) the Bank's financial and business performance at the end of the year, as well as at any other time on its own initiative, by decision of the General Shareholders Meeting or Supervisory Council, or at the request of the Bank's shareholder(s) owning in the aggregate at least 10 per cent of the voting shares.

18.4. If the audit reveals that there is a threat to the Bank's or its customers' interests, or there are case of power abuse by the Bank's officials, or in any other specific cases, the Statutory Audit Commission can demand that an extraordinary General Shareholders Meeting of the Bank be called.

18.5. The Statutory Audit Commission shall submit its duly executed audit reports to the Supervisory Council and Management Board for the necessary actions to be immediately undertaken.

18.6. To audit and confirm the fairness of its annual financial statements, the Bank shall appoint on a yearly basis a certified auditing company which is in no way related to the Bank or its subsidiaries.

The auditor shall be approved by the General Shareholders Meeting. The Bank shall be audited in compliance with the legislation of the Russian Federation and under an agreement with the audit company. Amount of the auditor's fees shall be defined by the Supervisory Council.

18.7. Opinion of the Statutory Audit Commission and that of the auditor related to the Bank's financial and business performance shall contain:

- confirmation of the fairness of the Bank's financial statements and other reports;
- information on violations of procedures set by the applicable Russian legislation for financial accounting and reporting, as well as other Russian laws when performing financial and business activities;
- confirmation of the Bank's compliance with mandatory ratios set by the Bank of Russia;
- conclusions as to the Bank's governance efficiency; as well as
- conclusions on its internal control adequacy, and other provisions as specified by the legislation of the Russian Federation and the Bank's Charter.

The Audit opinion shall be duly submitted to the Bank of Russia.

## **XIX. REORGANIZATION AND LIQUIDATION**

19.1. Under applicable legislation the Bank can undertake a voluntary reorganization in the form of merger, accession, division, spin-off or transformation.

The Bank can be liquidated either voluntarily or by a court order in compliance with the legislation of the Russian Federation.

19.2. After the Bank is reorganized, its rights and liabilities shall be assigned to its legal successors.

The Bank shall be deemed reorganized, except for the case of reorganization in the form of a merger, as from the state registration of the newly organized legal entities. When the Bank is to be reorganized in the form of another legal entity being merged into it, the Bank shall be deemed reorganized as from the entry of made into the Unified State Register of Legal Entities stating that the merged legal entity ceased to exist.

In the case of the Bank's reorganization, all still valid documents are to be duly transferred to the Bank's successor. The terms and place of further safekeeping such documents shall be determined by the Bank's successor or authorized bodies.

Liquidation results in termination of the Bank's activities without the transfer of

rights and liabilities to other persons as legal successors.

In the event of reorganization and liquidation, the Bank shall ensure the protection of information constituting a state secret and media bearing such information, in accordance with the requirements of the Law of the Russian Federation "Concerning State Secrets."

19.3. Following a decision to liquidate the Bank by the General Shareholders Meeting, the Bank of Russia shall be immediately notified thereof in written form.

Having voted for the liquidation, the Bank's General Shareholders Meeting shall appoint a Liquidation Commission upon approval by the Bank of Russia, and set the liquidation procedures and schedule.

The right to manage the Bank's affairs shall be transferred to the Liquidation Commission the moment it is set.

19.4. The Liquidation Commission shall:

- deliver a notice on the Bank's liquidation, the procedure and deadlines for creditors to file claims to the mass media which publish data on legal entities' registration; and

- try to identify the Bank's creditors and recover the receivables; notify the creditors of the Bank's liquidation in written form.

After the deadlines set for the creditor's claims expire, the Liquidation Commission shall make an interim liquidation balance to reflect the Bank's existing property, the creditors' claims and the results of their reconciliation. Such interim liquidation balance shall be approved by the General Shareholders Meeting as agreed with the Bank of Russia.

If the Bank's available funds are insufficient to satisfy the creditors' claims, the Liquidation Commission shall sell the remaining assets of the Bank through public auctions following the relative law enforcement procedures.

Payment under the claims of the Bank's creditors shall be made by the Liquidation Commission in the order of priority set by the Civil Code of the Russian Federation, in compliance with the Interim Liquidation Balance, and starting with date of such balance approval, except for Group 5 creditors who are to get payment after a month from the date of the Interim Liquidation Balance approval.

After the creditors' claims are fully satisfied and relative payments are made, the Liquidation Commission shall make a Final Liquidation Balance to be approved by the General Shareholders Meeting upon agreement with the Bank of Russia.

The remaining assets shall be distributed among the Bank's shareholders in compliance with the legislation of the Russian Federation.

The Liquidation Commission shall transfer Bank documents subject to mandatory storage for storage under the procedure set forth by federal laws and other regulatory acts of the Russian Federation, in accordance with a list confirmed by the federal executive body duly authorized by the Government of the Russian Federation, and by the Bank of Russia.

19.5. Liquidation shall be deemed completed, and the Bank shall be deemed liquidated as from the moment a relative entry is made into the State Register of Credit Institutions.

## **XX. REVIEW OF THE CHARTER**

20.1 Any amendment or addition to the Charter, or approval of the reviewed Charter shall only be made by a decision of the General Shareholders Meeting, except for cases specified in Clauses 20.2 – 20.4 hereof.

20.2. Any amendment or addition to the Charter including those related to increase in the Bank's charter capital, shall be made on the basis of the share placement results, a relative decision of the General Shareholders Meeting to increase

the Bank's charter capital, or on a similar decision of the Supervisory Council to increase the Bank's charter capital by reducing the nominal value of the shares, on other decision related to a placement of shares or issue-grade securities convertible into shares, and the registered placement report. When the Bank's charter capital is increased by placing additional shares, the charter capital is increased to the extent of nominal value of the additional shares placed, while the number of the authorized shares of the relative categories (types) shall be decreased by the number of the additional shares of the same categories (types) so placed.

20.3. Any amendment or addition to the Charter related to decrease in the Bank's charter capital by the Bank's buy-out of its shares to be further redeemed shall be made on the basis of a relative decision of the General Shareholders Meeting and the report on share buy-out results approved by the Supervisory Council. Any amendment or addition to the Charter related to decrease in the Bank's charter by the redemption of the Bank's proprietary shares as specified by the Federal law "On Joint-Stock Companies" shall be made on the basis of a relative decision of the General Shareholders Meeting and the report on share redemption results approved by the Supervisory Council. In these cases the Bank's charter capital shall decrease to the extent of the nominal value of the redeemed shares.

20.4. Any amendment to the Charter related to opening or closing the Bank's branches or representative offices shall be made by a decision of the Supervisory Council.

20.5. Any amendment or addition duly made to the Charter shall be subject to state registration in compliance with the legislation of the Russian Federation. Amendments and additions made to this Charter or reviewed Charter shall become valid for third parties as from their state registration.

20.6. If amendments to legislative or other regulatory acts of the Russian Federation enter into conflict with particular provisions of this Charter, the provisions of this Charter shall be applied to the extent to which they do not contradict the effective legislation of the Russian Federation.

President and Chairman  
of the Management Board                      */signature/*                      A. L. Kostin

Seal: VTB Bank (Open Joint-Stock Company)  
JSC VTB Bank  
City of Saint Petersburg

Total number of sheets bound together and sealed amounts to 48 (Forty-eight)

President and Chairman  
of the Management Board of JSC VTB Bank    */signature/*    A. L. Kostin

30 August 2014

Seal: VTB Bank (Open Joint-Stock Company)  
JSC VTB Bank  
City of Saint Petersburg

Stamp:

Total number of sheets bound together and sealed amounts to 48 (Forty-eight)

Deputy Head of the Department  
*/signature/* S. V. Kashkina

Official seal:

Federal Tax Service of Russia  
Department of the Federal Tax Service for the City of Saint Petersburg  
PSRN: 1047843000578

City of Moscow.

The sixteenth day of September Two thousand and fourteen,

I, Roman Vasilievich Ryabov, a Notary Public in the City of Moscow, do hereby certify that this is a true copy of the original document. In the latter, there are neither erasures, nor crossed out words, nor postscripts, nor any other unspecified irregularities.

I have explained to the individual requesting this notarial act that by attesting the accuracy of the copy of the document, I do not confirm the legality of the document's contents, nor the correspondence of the facts set forth therein to reality.

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Notary */signature/*

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**APOSTILLE**  
(CONVENTION DE LA HAYE DU 5 OCTOBRE 1961)

1. THE RUSSIAN FEDERATION

This public document

2. has been signed by R.V. Ryabov  
(surname)  
3. acting in the capacity of Notary Public

4. bears the seal of Notary Public in the City of Moscow R.V. Ryabov

CERTIFIED

5. in Moscow 6. on 09.10.2014  
(date)  
7. by R.R. Kloptsov, Deputy Chief Main Department of the Ministry of Justice of the Russian Federation for Moscow  
(name of the authority)

8. Under No. 77/11715-14

9. Seal: Ministry of Justice of the Russian Federation  
Main Department of the Ministry of Justice of the Russian Federation for Moscow  
Primary State Registration No. 1087746888866

10. Signature

/signature/

/Overleaf:/

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Deputy Chief Main Department of the Ministry of Justice of the Russian Federation for Moscow

/signature/ R.R. Kloptsov

Seal: Ministry of Justice of the Russian Federation  
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Primary State Registration No. 1087746888866

*Translated by P. M. Kishchenko*

*Настоящий перевод с русского языка на английский выполнил Кищенко П. М.*