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Federal Tax Service of Russia in St. Petersburg  
Validity period: from 16.08.2019 to 16.08.2020

**APPROVED:**

**Deputy Chairperson  
of the Central Bank  
of the Russian Federation**

**S.A. Shvetsov**

**November 28, 2019**

Stamp: Central Bank of the Russian Federation (Bank of Russia)

\* Main Branch for St. Petersburg

PSRN1037700013020

**Articles of Association  
of the limited liability company  
Bank Orange**

**Bank Orange (LLC)**

**adopted  
by the special participants' meeting**

**Protocol No. 96  
of August 21, 2019**

**St. Petersburg  
2019**

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## CHAPTER 1. GENERAL PROVISIONS

1.1. The limited liability company Bank Orange hereinafter referred to as “the Bank” is a banking company, acting in a form of the limited liability company.

Full corporate name of the Bank in Russian: Общество с ограниченной ответственностью Банк Оранжевый (Limited Liability Company Bank Orange).

Abbreviated corporate name of the Bank in Russian: ООО Банк Оранжевый (Bank Orange LLC).

Full corporate name of the Bank in English: Limited Liability Company Bank Orange

Abbreviated corporate name of the Bank in English: Bank Orange LLC.

The Bank has been established pursuant to the resolution of the meeting of founding partners dated 12 November 1991 and was named commercial bank “Bratskkomplex” (the city of Bratsk).

According to the resolution of the meeting of members dated 26 August 1996 (Minutes of the Meeting No.16) the name of the legal form was adapted to the applicable legislation of the Russian Federation, and the full legal name was complemented with the words (Limited liability company), and the abbreviated legal name CB “Bratskkomplex” was approved.

According to the resolution of the general meeting dated 04 October 1999 (Minutes of the Meeting No.22) the way of writing the full legal name of the Bank was changed to Limited liability company Commercial Bank “Bratskkomplex”, and the abbreviated legal name was adapted to the applicable legislation of the Russian Federation and defined as follows (LLC CB “Bratskkomplex”).

According to the resolution of the general meeting of members of the Bank dated 26 November 2002 (Minutes of the Meeting No.36) both full and abbreviated legal names of the Bank were changed to Limited liability company “PromServisBank” (“PromServisBank” LLC).

According to the resolution of the General meeting dated 29 September 2003 (Minutes of the Meeting No.38) the way of writing the abbreviated legal name of the Bank was changed to “PromServisBank” LLC.

According to the resolution of the extraordinary general meeting of members dated 26 February 2014 (Minutes of the Meeting No.73) both full and abbreviated legal names of the Bank were changed to Limited liability company Bank Orange (Bank Orange LLC).

1.2. The Bank is a part of the Russian banking system. It is governed by the Russian legislation in force, normative legal acts of the state authorities and local government administration, statutory acts of the Bank of Russia and also by this present Articles of Association, and internal documents of the Bank.

1.3. The Bank’s location area:

16 lit. A, Ruzovskaya street, St. Petersburg, 190013

1.4. The Bank is a legal entity, it has a separate property and is liable for its obligations, can acquire and exercise civil rights and incur civil obligations on its own behalf, be a plaintiff and defendant in court.

1.5. The Bank is an organization, which was founded in order to gain profit and it is the main purpose of the Bank’s activity.

1.6. The Bank was organized for an indefinite term and carries out its activity under the license issued by the Bank of Russia.

1.7. The Bank is considered to be organized as a legal entity from the moment of its state registration made in accordance with the procedure, established by the Law of the Russian Federation.

1.8. The Bank has the round seal, containing its full name in Russian language and the center of location, stamps and letter-heads with its firm-name, its own symbol, and other means of individualization.

1.9. The Bank shall not be held liable for the State’s obligations. The State shall not be held liable for the Bank’s obligations, unless the State itself has undertaken such obligations.

The Bank shall not be held liable for the obligations of the Bank of Russia. The Bank of Russia shall not be held liable for the Bank’s obligations, unless the Bank of Russia itself has undertaken such obligations.

Legislative and executive authorities and local governments shall not interfere with the activity of the Bank, except in cases provided for by federal laws.

Members of the Bank shall not be held liable for the Bank’s obligations and shall bear the risk of losses connected with the Bank’s activity to the extent of the value of their shares in the authorized capital of the Bank.

The Bank shall not be held liable for the obligations of its Members.

1.10. The Bank may establish affiliates and agencies under the Bank Board of Directors' decision.

Affiliates and agencies within the territory of the Russian Federation are established and opened with observance of requirements of the Russian legislation in force.

1.11. The Bank affiliate is a separate subdivision of the Bank situated outside its center of location, conducting all of its functions or part of them, including functions of the representative office.

1.12. The Bank agency is a separate subdivision of the Bank situated outside its center of location, representing the Bank interests and providing protection of them.

1.13. Affiliate and agency of the Bank are not legal entities, acting under the provisions approved by the Bank. Affiliate and agency are provided with property by the Bank.

1.14. Affiliates' managers and agencies' directors are appointed by the Bank and act under its power of attorney.

1.15. Affiliates and agencies of the Bank exercise their activity on behalf of the latter. The Bank bears responsibility for its affiliate's and agency's activity.

1.16. The Bank has the following affiliates:

- Affiliate of the Limited liability company Bank Orange in Moscow has the following address: Myasnitskaya str., bld. 48, 107048, Moscow.

## **CHAPTER 2. BANKING OPERATIONS AND OTHER BANK TRANSACTIONS**

### **Article 2.1. Banking operations**

2.1.1. In order to conduct banking operations and keep monetary funds the Bank at its location opens a correspondent account at the Bank of Russia.

2.1.2. The Bank may conduct the following operations (subject to the requirements of Article 5.1. of the Federal Law "On Banks and Banking Activities"):

- attraction of deposits of monetary funds from individual persons and legal entities (on demand and for a specified term);
- allocation of attracted deposits of monetary funds from individual persons and legal entities (on demand and for a specified term) on its behalf and for its own expense;
- opening and maintenance of bank accounts of individual persons and legal entities;
- payments of bills in the name of individual persons and legal entities, including correspondent banks;
- monetary funds, bills, payment and accounting documents collection, and counter services for individual persons and legal entities;
- foreign currency purchase and sale in cash and non-cash forms;
- attraction of deposits of precious metals and allocation;
- the bank guarantees issue;
- transfer of monetary funds in the name of individual persons without opening of bank accounts (except for the postal bank transfer).

Besides the banking operations mentioned above the Bank can conduct the following transactions:

- grant security for the third parties, providing fulfillment of obligations in monetary form;
- issuance of bank guarantees;
- accrue the rights of demand concerning fulfillment of the third parties' obligations in monetary form;
- rent out the special premises or lock boxes located inside for storage of documents and things of value to individual persons and legal entities;
- conduct leasing transactions;
- render advisory and information services.

The Bank is not entitled to acquire rights of claim against foreign legal entities, foreign organizations not being legal entities under foreign law, as well as against individuals whose personal law is the law of a

foreign state, including to carry out leasing operations with these persons and issue guarantees in relation to these persons.

The Bank shall not be entitled to place funds attracted from individuals and legal entities (on demand and for a specified term) into deposits in its own name and at its own expense and issue bank guarantees to foreign legal entities, foreign organizations not being legal entities under foreign law, as well as to natural persons whose personal law is the law of a foreign state.

The Bank is not allowed to open bank (correspondent) accounts in foreign banks, except for opening an account in a foreign bank for the purpose of participating in a foreign payment system.

The Bank can issue, buy, sell, keep records, store and carry out other transactions with securities serving as a payment documents; securities confirming attraction of deposits of monetary funds and deposits on bank accounts; other securities transactions, which do not require special licence in accordance with the federal law.

The Bank is authorised to invest attracted funds in securities that meet the requirements established by Article 24, part 5, of the Federal Law “On Banks and Banking Activity”.

The Bank has a right to exercise professional activity at the security market under the federal law of the Russian Federation.

The Bank can carry out other transactions under the legislation of the Russian Federation.

All banking operations are implemented in rubles and in presence of appropriate licence of the Bank of Russia – in foreign currency.

2.1.3. The Bank is prohibited from engaging in production, trading and insurance activity. These restrictions do not apply to the conclusion of contracts that are derivative financial instruments and provide for either the obligation of one party to the contract to transfer the goods to the other party, or the obligation of one party, under conditions defined upon the conclusion of the contract and if the other party so requests, to buy or sell the goods if the delivery obligation is terminated without performance in kind, as well as to the conclusion of contracts in order to perform the functions of a central counterparty and operator of commodity deliveries in accordance with the Federal Law “On Clearing, Clearing Activities and the Central Counterparty”. Additionally, these restrictions do not apply to the sale of property acquired by the Bank in order to secure its activities, and to the sale of property being realized by the credit organization in case of enforcement of collateral due to the debtor's failure to fulfill an obligation secured by the pledged property, or the property obtained by the credit organization under an agreement as a compensation.

2.1.4. The Bank takes deposits only upon the reasonable right, under the licence issued by the Bank of Russia, when it participates in the system of the compulsory insurance of deposits held by individual persons with banks and is registered in organization, which exercise functions of compulsory insurance of deposits.

2.1.5. In the course of its business the Bank has a right to:

- conclude contracts with legal entities and individual persons, when necessary, in order to implement its functions and provide economic needs;
- independently define the guidelines of its activity;
- independently fix rates of interest on its active and passive operations, and amount of commission on the basis of the contract with client, unless otherwise determined by legislation of the Russian Federation;
- receive reports, balances and documents of credit legal entities, which prove their financial responsibility and also the granted credits' security;
- call for an expert examination of projects design in construction, enlargement, reconstruction and technical re-equipment, which are supposed to be implemented with the assistance of assets and credits granted by the Bank;
- terminate further granting of credit, call in a loans in case of violation of obligations provided by the credit agreement in cases of accounting reports' unreliability and running down;
- on a cost sharing basis invest its assets in business of organizations and enterprises;
- represent organizations and enterprises by their power of attorney in financial and economic bodies;
- execute other legal actions, necessary to exercise its legal capacity;

2.1.6. In the course of its business the Bank shall be liable for:

- guarantee of operations, accounts and deposits privacy for the clients and correspondents, and also the secrecy of other information, determined by the Bank in compliance with the current legislation of the Russian Federation;
- execution of instructions given by the Bank of Russia and implementation of other actions, provided by the Law of the Russian Federation.

2.1.7. The Bank shall present all the available information concerning those credited parties, who gave their consent, and necessary to draw up the credit history, at least in one credit bureau registered in a state register of credit bureaus in order, provided by the Federal law “On Credit Histories”.

## **Article 2.2. Interest of the Bank in settlement of transactions**

2.2.1. Transactions, in which the member of Board of Directors, Chairman of Board, member of the Bank Directors or the Bank participant, jointly with affiliates possessing twenty and more percent of total number of the Bank participants’ votes, have their interest, cannot be conducted by the Bank without consent of the Bank participants’ general meeting.

The mentioned persons are considered as the interested in the Bank’s transaction in cases, when they, their conjoints, parents, children, brothers, sisters and (or) their affiliates:

- are a party, beneficiary, intermediary or representative in the transaction;
- are a controlling person of a legal entity that is a party, beneficiary, intermediary or representative in the transaction;
- hold offices in administrating bodies of the legal entity, which is the party of transaction or acts on behalf of third parties in relations with the Bank.

A controlling person is a person who has the right, directly or indirectly (through persons controlled by it) to dispose, by virtue of participation in a controlled entity and (or) on the basis of agreements on trust management of property, and (or) a simple partnership, and (or) instructions, and (or) shareholder agreement, and (or) another agreement, the subject of which is the exercise of rights certified by shares (stakes) of the controlled entity, of more than 50 percent of the votes in the supreme management body of the controlled entity, or the right to appoint (elect) the sole executive body and (or) more than 50 percent of members of the collective management body of the controlled entity. A controlled person (controlled entity) is a legal entity that is directly or indirectly controlled by the controlling person.

2.2.2. Persons, mentioned in provision 2.2.1 of § 2.2. of the Articles of Association, shall inform the Bank participants’ general meeting about:

- about the legal entities under their control;
- about legal entities in which they hold positions in management bodies;
- whether they have relatives mentioned in the second paragraph of provision 2.2.1 of § 2.2. of the Articles of Association, and about persons (entities) controlled by such relatives (if such information is available);
- about known to them, conducted or offered transactions, in which they can be considered as the interested ones.

2.2.3. The Bank shall notify the independent participants of the Bank about the execution of an interested party transaction in the manner prescribed for notifying the Bank's participants about the General Meeting of Participants of the Bank, as well as the independent members of the Board of Directors of the Bank.

The notification must be sent no later than five days before the date of the transaction. It must indicate the person (persons) who is a party to the transaction, the beneficiary, the price, the subject of the transaction and its other essential conditions or the procedure for determining them, as well as the person (person) having an interest in the transaction, the grounds on which the person (each of the persons) having an interest in the transaction is considered as such.

When preparing for the Annual General Meeting of the Bank's Participants, persons entitled to participate in the Annual General Meeting of the Bank's Participants must be provided with a report on the interested party transactions concluded by the Bank in the reporting year. The report must be preliminarily approved by the Chairperson of the Board of the Bank, as well as by the Bank’s Board of Directors and the Bank’s inspection commission.

2.2.4. An interested party transaction does not require mandatory prior consent to its execution.

For an interested party transaction, the approval of the Bank's Board of Directors or the General Meeting of the Bank's Participants may be obtained before its execution upon the request of the Chairperson of the Bank's Board, a member of the Bank's Board, a member of the Bank's Board of Directors, or a participant(s) whose combined share in the statutory capital of the Bank constitutes at least one percent.

The decision to approve an interested party transaction is taken by the Board of Directors of the Bank by a majority vote of directors who are not interested in its execution, or by the General Meeting of the Bank's participants by a majority vote of the total number of votes of the Bank's participants who are not interested in this transaction.

2.2.5. The provisions of paragraph 2.3.3 § 2.3. of the Articles of Association shall apply to the decision to approve an interested party transaction. In addition, the decision to approve the transaction must indicate the person (persons) having an interest in the transaction, the grounds on which the person (each of the persons) having an interest in the transaction is considered as such.

2.2.6. If an interested party transaction is executed without obtaining approval, a member of the Bank's Board of Directors or its participant(s) possessing at least one percent of the total number of votes of the Bank's participants have the right to request the Bank to provide information regarding the transaction, including documents or other information confirming that the transaction does not violate the Bank's interests (that it has been carried out on arm's length principles, and other information). The requested information must be provided to the requesting party within a period not exceeding 20 days upon the date of receiving the respective request.

2.2.7. An interested party transaction may be declared void upon the suit of the Bank, a member of the Bank's Board of Directors, or its participant(s) possessing at least one percent of the total number of votes of the Bank's participants, if it is conducted to the detriment of the Bank's interests and if it is proven that the other party to the transaction knew or should have known that the transaction was the interested party transaction for the Bank and/or that there had been no approval for its execution. However, the absence of the approval to execute the transaction by itself is not a basis for declaring this transaction void.

Unless proven otherwise, an interested party transaction is presumed to be detrimental to the Bank's interests if all of the following conditions are met:

- there is no approval to execute the transaction or its subsequent approval;
- the person who filed the lawsuit to recognise the transaction invalid had not been provided with information concerning the disputed transaction upon its request in accordance with provision 2.2.6. § 2.2. of this Articles of Association.

2.2.8. The decision to approve interested party transactions, in the cases provided for in section 2.2.4., paragraph 2, of this clause, falls within the competence of the Bank's Board of Directors, except in cases where the price of the transaction or the value of the property being the subject of the transaction exceeds ten percent of the book value of the Bank's assets, determined on the basis of the financial statements for the last reporting period.

2.2.9. The provisions of this article shall not apply:

- to transactions made in the normal course of business of the Bank, provided that the Bank repeatedly makes similar transactions on the arm's length principles over a long period of time on similar terms and conditions, including transactions made by credit institutions in accordance with Article 5 of the Federal Law "On Banks and Banking Activities";
- to transactions concluded on the same terms as the preliminary agreement, if such an agreement contains all the information provided for in provision 2.2.5 § 2.2. of this Articles of Association, and consent to its conclusion had been obtained from the Bank's management body, whose competence includes granting such consent to the conclusion of the main contract, according to the procedure prescribed by this article;
- to transactions concluded at open auctions or based on the results of open auctions, if the conditions for conducting such auctions or participation in them have previously been approved by the Board of Directors of the Bank or by the General Meeting of Participants of the Bank;
- to relations arising from the transfer to the company of a share or part of a share in its authorized capital in cases provided for by the Federal Law "On Limited Liability Companies";
- to transactions involving the placement by the company of bonds through open subscription or the acquisition by the company of the bonds placed by it;
- to relations arising from the transfer of rights to property in the process of restructuring the company, including under merger agreements and accession agreements;

- to transactions that are obligatory for the company in accordance with federal laws and/or other legal acts of the Russian Federation, and settlements for which are made at prices determined by the Government of the Russian Federation or at prices and tariffs established by the federal executive body authorized by the Government of the Russian Federation, as well as to public contracts concluded by the company on terms no different from those of other public contracts concluded by the company;
- transactions, the subject of which is property, the price or the book value of which constitutes no more than 0.1 percent of the book value of the company's assets, as determined based on its accounting (financial) statements as of the latest reporting date, provided that the size of such transactions does not exceed the limits established by the Central Bank of the Russian Federation. Information about the execution of such transactions shall be disclosed in accordance with the procedure stipulated in paragraph 2.2.3. of this Article.

### **Article 2.3. Major transactions**

2.3.1. A major transaction is a transaction (or several interconnected transactions) that goes beyond the scope of the ordinary business activities and at the same time:

- is connected with the acquisition, disposition, or potential disposition by the Bank, directly or indirectly, of assets (including loans, credits, pledges, guarantees, the acquisition of a certain amount of shares (other equity securities convertible into shares) of a public company, as a result of which the Bank becomes obligated to make a mandatory offer in accordance with Chapter XI.1 of Federal Law No. 208-FZ as of 26 December 1995 "On Joint-Stock Companies"), the price or book value of which constitutes 25 percent or more of the book value of the Bank's assets, determined based on its accounting (financial) statements as of the latest reporting date;

2.3.2. In the event of disposition or the possibility to dispose of the assets with the book value of the Bank's assets, the higher of two values is compared - the book value of such assets and the price for their disposition. In the event of acquisition of assets with the book value of the Bank's assets, the acquisition price of such assets is compared.

In the event of transfer of the Bank's property for temporary possession and/or use, the book value of the property being transferred for temporary possession or use is compared with the book value of the Bank's assets.

If the Bank executes a transaction or several interconnected transactions to acquire shares (other equity securities convertible into shares) of a public company, as a result of which the Bank becomes obligated to acquire shares (other equity securities convertible into shares) in accordance with Chapter XI.1 of Federal Law No. 208-FZ as of 26 December 1995 "On Joint-Stock Companies"), the price of all shares that can be acquired by the Bank through such transactions in accordance with Chapter XI.1 of Federal Law No. 208-FZ as of 26 December 1995 "On Joint-Stock Companies" is compared with the book value of the Bank's assets.

2.3.3. The decision to approve the execution of a major transaction is within the competence of the General Meeting of the Bank's participants.

The decision to approve the execution of major transactions related to the acquisition, disposition, or potential disposition by the Bank, directly or indirectly, of assets with a value ranging from twenty-five to fifty percent of the Bank's asset value, falls under the competence of the Bank's Board of Directors.

2.3.4. The decision to approve the execution of a major transaction shall specify the party (parties) involved, beneficiaries, price, subject matter of the transaction, and other essential terms of the transaction or the procedure to determine them.

The decision to approve a major transaction is not required to identify the parties and beneficiaries of the transaction if the transaction is concluded through auctions, as well as in other cases when the parties and beneficiaries of the transaction cannot be determined by the time the approval to such a transaction is received.

The decision to approve or subsequently approve a major transaction may specify a period during which this decision is valid. If the decision does not indicate this period, the approval is considered valid for one year from the date it is given, unless a different period arises from the nature and conditions of the transaction for which approval was given or from the circumstances under which the approval was given.

2.3.5. A major transaction carried out in violation of the procedure for obtaining approval for its execution may be declared void upon the suit of the Bank, a member of the Bank's Board of Directors of the Bank, or its participant(s) possessing at least one percent of the total number of votes of the Bank's participants.



## **CHAPTER 3. BANK PARTICIPANTS. AUTHORIZED CAPITAL**

### **Article 3.1. Bank Participants. Rights and Liabilities**

3.1.1. Citizens and legal entities can stand as the Bank participants. State and municipal authorities can not act as participants of the Bank, unless otherwise determined by the federal law. The Bank can thereafter become a single-participant company.

3.1.2. The Bank cannot have another economic company, comprising by one person, as a single participant.

3.1.3. The Bank should be comprised maximum by fifty participants. Otherwise, the Bank must be transformed into a joint-stock company within a year, and after the expiration of this period, liquidated through judicial proceedings if the number of its participants does not decrease to the specified limit.

3.1.4. The participants have a right to:

- take part in administration of the Bank in order, established by the current legislation of the Russian Federation and constituent documents of the Bank;
- obtain information about the Bank affairs and familiarize with its account book and other documentation in order, established by constituent documents of the Bank;
- take part in the profit distribution process;
- elect and be elected in the governing and control bodies of the Bank;
- sell or otherwise assign its share in the authorized capital of the Bank, or a part thereof, to one or several participants of the Bank, or to third parties in accordance with the provisions of Article 3.8 of this Articles of Association and the current legislation of the Russian Federation;
- secede from the Bank at any time regardless of other participants' consent;
- get the part of property, remained after payments to creditors, or its value in case of the Bank dissolution;
- appeal against decisions of the Bank's bodies that entail civil law consequences in cases and in the manner provided for by the legislation of the Russian Federation;
- acting on behalf of the Bank, claim compensation for damages caused by the Bank;
- acting on behalf of the Bank, challenge the transactions made by it on the grounds provided for by the legislation of the Russian Federation, and demand to enforce the consequences of invalid transactions and of null and void transactions of the Bank.

The participants also have other rights, provided by the current legislation of the Russian Federation.

3.1.5. Besides the rights determined by the current legislation of the Russian Federation, participant (participants) of the Bank can possess other rights (appendant rights), which are granted to the Bank participant (Bank participants) by the Bank participants' general meeting decision, made by all the Bank participants' una voce.

Appendant rights granted to the certain participant of the Bank, in case of his share (part of share) alienation, shall not be transferred to the purchaser of share (part of share).

Termination or limitation of appendant rights granted to all the Bank participants is implemented by the Bank participants' general meeting decision, made by all the Bank participants' una voce.

Termination or limitation of appendant rights granted to the certain participant of the Bank is implemented by the Bank participants' general meeting decision, made by a majority, which are no less than two thirds of the total number of the Bank participants' votes, provided that the Bank participant, who possesses the mentioned appendant rights, voted for this decision or gave his written consent.

The Bank participant, who possesses appendant rights, can reject exercise these rights by sending the written notification to the Bank. The Bank participant's appendant rights are terminated at the moment of the mentioned notification receipt by the Bank.

3.1.6. The participants shall be liable for:

- investment in order, amount, form and in terms, determined by the current legislation of the Russian Federation and constituent documents of the Bank;
- non-disclosure of the confidential information, concerning the Bank affairs.
- timely informing the Bank about changes in their names, residence or location, as well as in-

- formation about their shares in the authorized capital of the Bank;
- implementing the decisions of the governing bodies of the Bank as regards the issues connected with the Bank's activity adopted within their competence;
  - performance of the undertaken obligations towards the Bank and other members;
  - providing information necessary for successful activity of the Bank and supporting the Bank in achievement of its statutory objectives;
  - avoiding any actions which could prejudice the interests of the Bank.
  - participate in the formation of the Bank's assets to the required amount, in the manner and within the timeframes provided for by the legislation of the Russian Federation or the Bank's Articles of Association;
  - participate in making corporate decisions without which the Bank cannot continue its activities in accordance with the legislation of the Russian Federation, if its participation is necessary for making such decisions;
  - refrain from taking actions (inactions) that significantly impede or make it impossible to achieve the objectives for which the Bank was created.

The participants also assume other liabilities, provided by the current legislation of the Russian Federation.

3.1.7. Besides liabilities by the current legislation of the Russian Federation, participant (participants) of the Bank incurs other liabilities (additional liabilities). Imposition of the mentioned liabilities on all the Bank participants is implemented by the Bank participants' general meeting decision, made by all the Bank participants *una voce*.

Imposition of additional liabilities on the certain participant of the Bank is implemented by the Bank participants' general meeting decision, made by a majority, which are no less than two thirds of the total number of the Bank participants' votes, provided that the Bank participant, on whom the mentioned additional liabilities are imposed, voted for this decision or gave his written consent.

Additional liabilities imposed on the certain participant of the Bank, in case of his share (part of share) alienation, shall not be transferred to the purchaser of share (part of share).

Additional liabilities can be terminated by the Bank participants' general meeting decision, made by all the Bank participants' *una voce*.

### **Article 3.2. Maintenance of the Bank participants' list.**

3.2.1. The Bank keeps the list of the Bank participants, containing information about each participant of the Bank, his share in the Bank's authorized capital and its payment, and about the shares, owned by the Bank, dates of their transfer in favour of the Bank or their acquisition by the Bank.

The Bank shall maintain and keep the list of the participants in accordance with the requirements of the Federal Law on Limited Liability Companies.

3.2.2. The Chairman of the Board of the Bank checks the compliance of the information about the Bank participants and about their shares or parts of the shares in the Bank's authorized capital with the information, stated in the Unified State Register of Legal Entities, and notarized certificates on transfer of the shares in the Bank's share capital, that the Bank became aware of.

3.2.3. Each participant of the Bank shall notify the Bank in due time on changes in his/her/its name, location or address, and in information on his/her/its shares in the Bank's share capital. If the Bank's member fails to provide such information, the Bank shall not be liable for the incurred losses.

3.2.4. The Bank and the Bank participants who have not notified the Bank on the changes, are not entitled to refer to the incompliance of the information, stated in the Bank participants list, with the information, stated in the Unified State Register of Legal Entities when interrelating with the third parties who acted, being aware only of the information, stated in the Bank participants' list.

3.2.5. Shall there arise any dispute on incompliance of the information stated in the Bank participants' list with the information stated in the Unified State Register of Legal Entities, a right on a share or a part of a share in the Bank's authorized capital is settled on the basis of the information stated in the Unified State Register of Legal Entities.

Shall there arise any dispute on untrustworthiness of the information of a right ownership of a share or a part of a share, stated in the Unified State Register of Legal Entities, a right on a share or a part of a share in the Bank's authorized capital is settled on the basis of an agreement or of other document, confirming a participant's right on a share or a part of a share.

### **Article 3.3. The Bank property investment**

- 3.3.1. The Bank participants' – under the Bank participants' general meeting decision – shall invest in property of the Bank.
- 3.3.2. The Bank participants' general meeting decision on the Bank property investment is made by a majority, which are no less than two thirds of the total number of the Bank participants' votes.
- 3.3.3. The Bank property investment shall be made by all the Bank participants pro rata their shares in the authorized capital of the Bank.
- 3.3.4. Investment in the Bank property is made in monetary form, unless otherwise provided by the resolution of the General meeting of members of the Bank.
- 3.3.5. Investment in the Bank property does not change the amount and principal value of the Bank participants' shares in the authorized capital.

### **Article 3.4. Distribution of the Bank profit**

- 3.4.1. Profit of the Bank is distributed in order, provided by current legislation of the Russian Federation.  
The Bank possesses full economic independence on issues, concerning the net profit distribution.
- 3.4.2. The Bank quarterly, every six months or once a year can decide on its net profit distribution among the participants. Decision on determination of the Bank's net profit part, distributed among the participants, is made by the Bank participant's general meeting.
- 3.4.3. The mentioned profit is distributed among the participants pro rata their shares in the authorized capital of the Bank.
- 3.4.4. The Bank cannot decide on profit distribution among the participants:
- before the authorized capital of the Bank is completely paid;
  - before the actual value of share (part of share) owned by the Bank participant is paid out in cases, provided by current legislation of the Russian Federation;
  - when by the moment of this decision the Bank shall meet the insolvency (bankruptcy) test in accordance with the Federal Law “On Insolvency (Bankruptcy)” or the mentioned signs emerge as a result of this decision;
  - when by the moment of this decision the amount of the Bank's own funds (equity) is lower than its authorized capital and emergency fund or it shall become lower than their amount as a result of this decision;
  - in other cases, provided by current legislation of the Russian Federation.
- 3.4.5. The Bank cannot pay out profit, decided to be distributed among the Bank's participants:
- when by the moment of this payment the Bank shall meet the insolvency (bankruptcy) test in accordance with the Federal Law “On Insolvency (Bankruptcy)” or the mentioned signs emerge as a result of this payment;
  - when by the moment of this payment the amount of the Bank's own funds (equity) is less than the amount of the Bank's authorized capital and reserve fund or becomes less than this amount as a result of such payment;
  - in other cases, provided by current legislation of the Russian Federation.
- 3.4.6. The profit after payment of taxes and other compulsory payments becomes available for the Bank and, under the Bank participants' general meeting decision, is transferred to reserves, for forming of the Bank's fund, distributed among the participants and for other purposes in accordance with current legislation of the Russian Federation.

### **Article 3.5. The Bank participant withdrawal. Expulsion from the Bank.**

3.5.1. The participant of the Bank has a right to withdraw from the Bank at any time regardless of other participants' or the Bank's consent. The participant's statement declaring its withdrawal from the Bank must be certified by a public notary.

3.5.2. In case of withdrawal the participant's share shall be transferred to the Bank from the moment of handing of the withdrawal application. At the same time, the Bank shall pay the participant, who have handed the withdrawal application, the actual value of his share according to the provisions 3.9.3. of § 3.9. of the present Articles of Association. The terms of payment cannot be longer than six months from the moment this liability occurred. Provisions, stating other terms or procedure of actual share or a part of a share cost payment, may be changed upon a resolution of the general participant's meeting that has been taken unanimously by all the Bank participants. Exclusion of such provisions from the Bank's Articles of Association is made upon a resolution of the general participant's meeting that has been taken by two thirds of total members' votes.

3.5.3. The actual value of the Bank participant's share is paid out at the expense of margin between amount of the Bank's own funds (equity) and the amount of its authorized capital. In case when this margin is not enough for payment of the actual value of share to the participant, who have handed the withdrawal application, the Bank shall reduce its authorized capital to the missing sum.

3.5.4. The Bank shall not pay the actual value of a share or a part of the share in the authorized capital of the Bank or provide property in kind having the same value if at the moment of such payment or provision of property in kind it meets the insolvency (bankruptcy) test in accordance with the federal laws on insolvency (bankruptcy) or if it meets such test as a result of payment or provision of property in kind.

3.5.5. The participant withdrawal from the Bank shall not dispense him from his liabilities to invest in the property of the Bank, what originated before the withdrawal application had been handed.

3.5.6. Retirement of the Bank participants from the Bank resulting in the absence of any members in the Bank, or retirement of the sole participant of the Bank is not allowed.

3.5.7. The Bank participants have the right to demand the exclusion of another participant from the Bank through judicial proceedings, with the payment of the actual value of its share, if such a participant, through its actions (or inaction), has caused significant harm to the Bank or otherwise substantially hindered its operations and the achievement of the goals for which the Bank was established, including grossly violating its duties as provided by law or the Bank's constituent documents. Waiver or limitation of this right is null and void.

3.5.8. Share of the participant, expelled from the Bank, shall be transferred to the Bank. At the same time the Bank shall pay the expelled participant the actual value of his share in compliance with provision 3.9.4 of § 3.9. of the present Articles of Association. The terms of payment cannot be longer than six months from the moment this liability occurred.

### **Article 3.6. Authorized capital of the Bank. Shares in the authorized capital of the Bank**

3.6.1. The authorized capital of the Bank is formed by principal value of the participants' shares.

3.6.2. The authorized capital sum is 284.537 thousand rubles (two hundred eighty-four million five hundred thirty-seven thousand) rubles.

3.6.3. Amount of the Bank authorized capital and principal value of the participants' shares is defined in rubles.

3.6.4. The principal value of share which gives the right of one vote at the Participants' general meeting is 400 (four hundred) rubles.

3.6.5. The authorized capital of the Bank fixes the lower limit of the Bank property, which guarantees the creditors' concern.

3.6.6. The authorized capital of the credit institution shall not be paid during the increase in its authorized capital by means of setting-off claims to the credit institution, except for monetary claims regarding payment of declared cash dividends.

3.6.7. Amount of the participant's share in the authorized capital is rated in percentage and conform with parity of his share's principal value to the Bank authorized capital.

3.6.8. The actual value of a share of the Bank's member shall correspond to the part of the amount of the Bank's own funds (equity), proportional to the amount of his share in the authorized capital.

3.6.9. Acquisition and (or) receipt in trust more than one percent of shares (equities) of the Bank by one natural or legal person as a result of one or more transactions require the notification of the Bank of Russia, and more than 10 percent – prior consent of the Bank of Russia.

### **Article 3.7. Investment in the authorized capital of the Bank**

3.7.1. It is possible to invest in the authorized capital of the Bank as follows:

- monetary funds in the currency of the Russian Federation;
- monetary funds in foreign currency- single European currency (euro) and/or one or more national currencies of the following countries: Australia, United Kingdom of Great Britain and Northern Ireland, Kingdom of Denmark, Canada, People's Republic of China, New Zealand, Kingdom of Norway, United States of America, Kingdom of Sweden, Swiss Confederation, Japan. The use of funds in other foreign currencies as a contribution to the authorised capital of a credit institution is not allowed;
- completely constructed building (premise), including the built-in and built-on units appropriate for the Bank office, beneficially owned by the Bank participant;
- other property in non-monetary form, the list of which is approved by the Bank of Russia.

3.7.2. Property in non-monetary form, invested in the authorized capital of the Bank, should be evaluated and booked on the Bank balance in the currency of the Russian Federation.

3.7.3. It is not possible to invest property in the authorized capital of the Bank, when the right of administration and disposal of property is restricted in compliance with federal law or earlier concluded contracts.

3.7.4. Pecuniary valuation of property in non-monetary form, invested in the Bank authorized capital is approved by the Bank participants' general meeting decision, made by all the participants *una voce*.

3.7.5. Pecuniary valuation of a non-monetary contribution to the authorized capital of the Bank must be conducted by an independent appraiser.

3.7.6. Participants of the Bank are not entitled to determine the pecuniary valuation of a non-monetary contribution in an amount exceeding that of the value determined by an independent appraiser.

3.7.7. The attracted monetary funds – and in cases determined by the federal law, other property – can not be used for the Bank authorized capital organization.

3.7.8. In cases of non-monetary property investment in the authorized capital of the Bank, appropriate documents confirming the participants' right to invest this property in the Bank authorized capital should be presented.

3.7.9. The value of non-monetary property used to pay for shares in the authorized capital of the Bank in the event of an increase in the authorized capital cannot exceed twenty percent of the total amount of funds previously contributed to pay for shares in the authorized capital of the Bank, and funds contributed to pay for its shares in the authorized capital with an increase in the authorized capital.

If non-monetary property has been contributed as payment for shares in the authorized capital of the Bank before (prior to the increase of the authorized capital), and if property is owned by the Bank at the time of payment for the increase of its authorized capital, the value of this property (based on the valuation approved by the authorized body of the Bank at the time the payment is contributed for shares in the authorized capital) shall be taken into account when calculating the limitation stipulated in the first paragraph of this clause.

### **Article 3.8. Transfer of the bank participant's share (part of share) in the authorized capital to other participants of the Bank or third parties**

3.8.1. Transfer of a share or a part of a share in the Bank's authorized capital to one or several participants or the third parties is made as a business transaction on succession course or on other legal basis.

3.8.2. The participant of the Bank has a right to sell or in other way let one or multiple participants of the Bank have his share (part of share) in the authorized capital. This kind of bargain requires no consent of the Bank or other participants of the Bank. The participants of the Bank enjoy the privilege for buying the participant's share (part of share) at the price, offered to the third party, pro rata the amount of their shares.

3.8.3. The Bank enjoy the privilege for buying the participant's share (part of share) at the price, offered to the third party, if other participants didn't exercise this privilege as stated in provision 3.8.2. of § 3.8. of the present Article of Association.

3.8.4. Participants and (or) the Bank itself can exercise their privilege right for buying of share not in full (part of share not in full) offered for selling. The rest of share (part of share) can be sold the third party after the partial realization of right by the Bank or its participants at the price and on the terms, reported to the Bank and its participants. Exclusion of the above-mentioned provisions from the Bank's Articles of Association is made upon a resolution of the general participant's meeting that has been taken by two thirds of total participants' votes.

3.8.5. The alienation of share (part of share) in the authorized capital of the Bank for benefit of the third parties shall be allowed only with compliance with the requirements of the present Articles of Association and legislation of the Russian Federation.

3.8.6. By selling of share (part of share) with violation of the privilege for buying, any participant of the Bank and (or) the Bank itself has a right – in a period of three months from the date, when the Bank participant or the Bank itself found out or should have found out this violation – to seek in court for the transfer of rights and liabilities of purchaser to them.

3.8.7. Cession of the abovementioned privilege for buying of a share (part of share) in the authorized capital of the Bank is not allowed.

3.8.8. The participant, who has an intention to sell his share (part of share) the third party, shall inform other participants and the Bank itself about it in writing, by sending, at its own expense through the Bank, an offer certified by a public notary addressed to these persons, indicating the price and other terms of sale. Offer on a sale of a share or a part of a share is deemed to be received by all the Bank participants as soon as the Bank has received such offer. An offer is deemed to be not received if in less than a day after its receipt the Bank has got a notice on its withdrawal.

3.8.9. Withdrawal of an offer on a share or a part of a share sale after it has been received by the Bank may be made only upon consent of all the Bank participants, or if none of the Bank participants has used a priority right to purchase a share or a part of a share, or if from the moment when the Bank was notified about the intention to purchase a share or a part of a share to the moment of refusal from the sale less than 25 (twenty five) calendar days passed.

3.8.10. The Bank participants are entitled to use a priority right to purchase a share or a part of a share during 30 (thirty) calendar days upon the offer receipt by the Bank.

3.8.11. If some participants of the Bank have refused to use a priority right to purchase a share or a part of a share in the Bank's authorized capital, or if they are going to use such right to purchase not all the share on sale, the other participants of the Bank may use their priority right to purchase a share or a part of a share pro rata to the amount of their shares within the term left for using such priority right to purchase a share or a part of a share in the Bank's authorized capital.

3.8.12. The Bank is entitled to use a priority right to purchase a share or a part of a share in the Bank's authorized capital during 7 (seven) working days upon the date when the term of the members' priority right realisation has expired, that is settled in provision 3.8.10 of the present Articles of Association, or after it has received written submissions on refusal from a priority right realisation from all the Bank participants.

3.8.13. A priority right to purchase a share or a part of a share in the Bank's authorized capital from a member and the Bank's priority right to purchase a share or a part of a share from the Bank are terminated on the day when:

- A written submission refusal to use a priority right was issued in the order, prescribed by the present provision;

- a term of such priority right realisation has expired.

The Bank shall receive submissions by the Bank participants on refusal to use a priority right before

the term of such priority right realisation has expired; such term is settled in compliance with provision 3.8.10 of the present Articles of Association.

Authenticity of a signature in a participant's submission or the Bank's submission on refusal to use a priority right to purchase a share or a part of a share in the Bank's authorized capital shall be notarized.

3.8.14. If during the term, settled in provisions 3.8.10, 3.8.12 of the present Articles of Association the Bank participants or the Bank have not used a priority right to purchase a share or a part of a share offered for sale, including shares that have been left after a priority right was used to purchase not all the shares offered for sale, or when some participants of the Bank or the Bank refused to purchase a share or a part of a share, the remained shares or parts of shares may be sold to a third party at a price, that could not be less than the offered price, and on the terms that the Bank and its participants have been informed about.

3.8.15. Shares in the authorized capital of the Bank shall be transferred to the heirs of citizens and assignees of the legal entities, who were the participants of the Bank, only with consent of other participants of the Bank. If a share or a part of a share of the Bank's authorized capital is sold on public sale, rights and obligations of the Bank participant who used to own such shares, are transferred as well upon a written consent of the Bank participants.

3.8.16. If any of the Bank participants does not agree with transfer or distribution of a share in cases, stated in provision 3.8.15 of § 3.8 of the present Articles of Association, such share is transferred to the Bank on the next date after the term for such approval receipt has expired; this terms is settled in provision 3.8.17 of § 3.8 of the present Articles of Association. Herewith the Bank shall pay to successors of a dead member of the Bank, legal successors of a reorganised legal entity, or members of a liquidated legal entity, or to a person who acquired a share or a part of a share on public sales, - the actual cost of the share or a part of the share, that is calculated in accordance with the Bank's accounting records for the latest reported period before a member's death, before the reorganisation completion or a legal entity liquidation, before a day of acquisition of a share or a part of a share on public sales, or upon their consent to livery in deed.

3.8.17. The Bank participants' consent for the alienation of share (part of share) in the authorized capital of the Bank for benefit of the third parties, its transfer to the heirs or assignees, or distribution among the participants of the legal entity to be dissolved is considered to be obtained, when in a period of thirty days after appeal to all the Bank participants was obtained their written consent or this consent was not rejected by any of the Bank participants.

3.8.18. A transaction of a share or a part of a share disposal shall be notarized. Inobservance of a notary form shall make it invalid. Notary certification is not necessary if a share is transferred to the Bank as prescribed by articles 21 of § 18 and articles 23 of § 4-6 of the Federal Law on Limited Liability Companies, and if a share is distributed among the Bank participants, or if a share is sold to all or some of the Bank participants or to third parties in accordance with article 24 of the Federal Law on Limited Liability Companies.

A share or its part in the authorized capital of the Bank shall be transferred to its acquirer from the moment the corresponding entry is made in the Unified State Register of Legal Entities, except for the cases provided for in § 23, paragraph 7, of the Federal Law "On Limited Liability Companies". The entry in the Unified State Register of Legal Entities regarding the transfer of a share or its part in the authorized capital of the Bank in cases that do not require the notary certification of a transaction aimed at alienating a share or its part in the authorized capital of the Bank is made based on entitling documents.

3.8.19. The notary certification of a transaction aimed at alienating a share or its part in the authorized capital constitutes a basis for making changes to the Unified State Register of Legal Entities in terms of information about the Bank's participants and the sizes of their shares, as well as to the List of the Bank's Participants. The notarized application for making the relevant changes in the Unified State Register of Legal Entities is submitted by the Bank to the Bank of Russia according to the established procedure for its subsequent submission to the registering authority.

3.8.20. Execution of a share disposal transaction is a ground to make changes into the Unified State Register of Legal Entities in the information on the Bank participants and the amounts of their shares, and to make changes in the Bank participants' list.

3.8.21. A purchaser of a share or a part of a share in the Bank's authorized capital shall acquire all the rights and obligations of the Bank's member that arose before the share disposal transaction or before other share

transfer transaction, excluding rights and obligations, stated in the second passage of provision 3.1.5 of § 3.1 and the third passage of provision 3.1.7 of § 3.1 of the present Articles of Association.

3.8.19. A member of the Bank, who disposed of his share or a part of a share, is exposed to liability for laying up a contribution into the property that incurred before the share transfer transaction, together with the purchaser.

### **Article 3.9. The bank authorized capital share (part of share) purchase by the Bank**

3.9.1. The Bank cannot purchase shares (parts of shares) in the authorized capital, except for the cases determined by current legislation of the Russian Federation.

3.9.2. If the general participants' meeting decides to approve a big transaction or increase of the Bank's authorized capital in accordance with provision 3.12.6 of § 3.12 of the present Articles of Association, the Bank is obliged at the demand of the participant who voted against such resolution or who did not take part in the voting, to acquire a share owned by this member. The Bank participant may raise such demand during forty-five days after the participant learned or should have learned about such resolution. If the Bank participant took part in the general participants' meeting, where such resolution was taken, such demand may be raised during forty-five days after taking the resolution.

3.9.3. Share of the participant, expelled from the Bank according to the provision 3.5.2. of § 3.5 of the present Articles of Association, shall be transferred to the Bank. At the same time, the Bank shall pay the expelled participant who sent the request on withdrawal from the Bank the actual value of his share, fixed under the Bank accounting data for the last accounting period, which is prior to Bank participant's appropriate request or, by the expelled participant's consent, give him property specifically of the same value.

3.9.4. Share of the participant, expelled from the Bank shall be transferred to the Bank. At the same time, the Bank shall pay the expelled participant the actual value of his share, fixed under the Bank accounting data for the last accounting period, which is prior to the date of entry of the court decision on expulsion into legal force or, by the expelled participant's consent, give him property specifically of the same value.

3.9.5. In case when the actual value of the Bank participant's share (part of share) is paid out by the Bank at the creditors' request, in compliance with the provision 3.11.2 of § 3.11 of the present Articles of Association, part of share the actual value of which had not been paid by other participants of the Bank should be transferred to the Bank, and the rest of the share – distributed between the Bank participants pro rata their payment, which had been already made.

3.9.6. The share of the part thereof shall be transferred to the Bank upon:

- 1) receipt by the Bank's member of the requirement regarding its acquisition;
- 2) receipt of the request of the Banks's member concerning the cessation of membership;
- 3) coming of judicial decision regarding expulsion of a member from the Bank into force or coming of judicial decision regarding transfer of a share of a part thereof to the Bank into force;
- 4) refusal of any member of the Bank to grant his consent to the transfer of a share of a part thereof in the authorized capital of the Bank to heirs of natural persons and legal successors of legal entities being the Bank's members, or consent to the transfer of such share of part thereof to the founding members (members) of a dissolved legal person being a member of the Bank, to the owner of the property of a dissolved institution, state or municipal unitary enterprise being a member of the Bank, or to a person who has acquired a share or a part thereof in the authorized capital of the Bank by means of a public sale;
- 5) the Bank's payment of the actual value of a share or a part thereof owned by the Bank's member upon request of its creditors.

3.9.7. The Bank shall pay out the actual value of share (part of share) or give property specifically of the same value in terms of three months from the date of this share (part of share) transfer to the Bank. At the same time, when the share of the member excluded from the Bank is transferred to the Bank, the Bank is obliged to pay the excluded member of the Bank the actual value of its share within a period not exceeding six months from the date of incurrance of the corresponding obligation.

3.9.8. The actual value of the share of a part thereof shall be paid from the difference between the value of



the net assets (equity) of the Bank and the size of its authorized capital. If such difference is insufficient, the Bank shall be obliged to reduce its authorized capital by the deficient amount.

3.9.9. Shares owned by the Bank shall not be counted while determining the results of voting at the General meeting of the Bank's members and while distributing the profit and property of the Bank during its liquidation.

3.9.10. During one year of the date of its transfer to the Bank the share owned by the Bank, under the decision of the Bank participants' general meeting, shall be distributed between all the participants pro rata their shares in the authorized capital of the Bank or sold to all or certain participants of the Bank and (or) the third parties, and shall be completely paid. Retained or unsold part of the share shall be paid off with an appropriate reduction of the Bank authorized capital

3.9.11. A sale of shares or parts of shares, acquired by the Bank in accordance with the Articles of Association's provisions, including shares of retired members, is made at a price that shall not be less than a price which the Bank paid for a share transfer, unless other price is determined by the resolution of the general participants' meeting.

3.9.12. The selling of share to the Bank participants, which cause changes of amount of the participants' shares, selling of share to the third parties and also the amendment of the Bank constituent documents, concerning the selling of share, are implemented in accordance with the decision of the Bank participants' general meeting, made by all the participants *una voce*.

3.9.15. A share or a part of a share that was not distributed or sold in the term, prescribed by this provision, should be paid up, and the amount of the Bank's authorized capital shall be decreased by the amount of a nominal value of this share or a part of the share.

### **Article 3.10. Pledge of shares in the authorized capital**

3.10.1. The Bank's participant has a right to give his share (part of share) in the authorized capital of the Bank as a pledge to another Bank's participant upon the Bank's consent and under the Bank participants' general meeting decision, made by a majority of all the Bank participants' votes.

3.10.2. The Bank's participant has a right to give his share (part of share) in the authorized capital of the Bank as a pledge to the third party upon the Bank's consent and under the Bank participants' general meeting decision, made by a majority of all the Bank participants' *una voce*. Votes of the participant, who has intention to pledge his share (part of share), are not considered by calculation of vote results.

3.10.3. A share or a part of a share pledge agreement shall be notarised. Inobservance of a notary form shall make it invalid. The pledge of a share or part of a share in the authorized capital of the Bank is subject to state registration and arises from the moment of such state registration.

### **Article 3.11. Charge of the bank participant's share (part of share) in the authorized capital**

3.11.1. Charge of the Bank participant's share (part of share) in the authorized capital by the creditors' request is allowed only under the court decision, when the participant of the Bank possess no other property, enough to clear his debts.

3.11.2. In case of charge of the Bank participant's share (part of share) in the authorized capital, the Bank has a right to pay out to creditors the actual value of the Bank participant's share (part of share).

Under the Bank participants' general meeting decision made by all the participants *una voce*, the actual value of share (part of share) of the participant, upon who's property an execution is levied, can be paid out to creditors by other participants of the Bank pro rata their shares in the authorized capital. The Bank participants' general meeting decision made by all the participants *una voce* can provide other payment amount determination order.

Actual value of the Bank participant's share (part of share) in the authorized capital is fixed on the basis of accounting data for the last accounting period, which is prior to the date of request or claim, concerning charge of the Bank participant's share (part of share) in the authorized capital raised before the Bank.

3.11.3. If in a period of three months from the date of the creditors' request, the Bank or its participants do not pay out the actual value of all the participant's share (all part of his share), upon which an execution is levied, the charge of the Bank participant's share (part of share) should be implemented by means of this share selling at the public auction.

### **Article 3.12. The Bank authorized capital increase**

3.12.1. The Bank's authorized capital can be increased by means of the Bank's property and/or by means of additional contributions of the Bank's members, and/or by means of contributions of third parties who are admitted as members of the company.

3.12.2. The Bank can decide on the authorized capital increase only after the adjustment of the amount of internal funds (capital base) in accordance with the authorized capital amount in cases, determined by federal law.

3.12.3. The Bank participants' general meeting can decide on the authorized capital increase only when the previous adjustment of the authorized capital amount had been already registered.

3.12.4. The state registration of amendments introduced in the Bank's Articles of Association and concerning the Bank authorized capital increase should be made after the shares had been fully paid by the purchasers.

3.12.5. The Bank authorized capital increase at the expense of its property is implemented under the Bank participants' general meeting decision, made by a majority, which are no less than two thirds of total number of the Bank participants' votes.

Decision on the Bank authorized capital increase at the expense of its property is made only under the Bank accounting data for the year, prior to that, during which the mentioned decision was made.

The sum of the Bank authorized capital increase at the expense of its property should not exceed the variation in the amount of the Bank's own funds (equity) and the sum of its authorized capital and emergency fund.

When the Company authorized capital is increased at the expense of its property, the principal value of all the Bank participants' shares increases pro rata without changes of the shares amount.

3.12.6. The Bank authorized capital increase at the expense of additional investment made by the Bank participants is implemented under the participants' general meeting decision, made by a majority, which are no less than two thirds of total number of the Bank participants' votes. This decision shall fix the total value of additional investment and define the parity of value of additional investment made by the Bank participant and the sum of increase of his share's principal value. The mentioned parity shall be unified for all the participants of the Bank. Provided that, the principal value of the Bank participant's share may increase by the sum, equal or less than the value of his additional investment.

Every participant of the Bank has a right for additional investment not exceeding the part of the additional investment total value, which is pro rata to the amount of this participant share in authorized capital of the Bank. An additional investment is made by the participants within two months of the date when appropriate decision was made by the Bank participants' general meeting.

3.12.7. At the latest after a month of the date of termination of additional investment period, the participants' general meeting shall decide on approval of the total additional investment made by the participants of the Bank and on the Bank's Articles of Association amendment, concerning the Bank authorized capital increase. Provided that, the principal value of share of each participant who made additional investment increases according to the parity, fixed in the first paragraph of provision 3.12.6 of § 3.12 of the present Articles of Association.

3.12.8. The Bank participants' general meeting can decide on its authorized capital increase on the basis of the Bank participant's application (participants' applications) of additional investment and (or) application of the third part (applications of the third parts) for his acceptance as a Bank member and for the investment. This decision is made by all participants of the Bank *una voce*.

3.12.9. In the Bank participant's application and in the application of the third part shall be mentioned the amount and structure of investment, its order and terms, and also the amount of share, which the participant or the third part would like to have in the authorized capital of the Bank. In the application could be mentioned

also other conditions of investment and acceptance to the Bank.

3.12.10. Simultaneously with the decision on the Bank authorized capital increase on the basis of the Bank participant's application (participants' applications) of additional investment shall be made the decision on the Bank's Articles of Association amendment, concerning the increase of the authorized capital amount and principal value of share of the participant (participants), who put in the additional investment application, and also, if necessary, concerning the changes of amount of the Bank participants' shares. These decisions are made by all participants of the Bank *una voce*. Provided that, the principal value of share of each participant of the Bank, who put in an additional investment application, increases by the sum, equal or less than the value of his additional investment.

3.12.11. Simultaneously with the decision on the Bank authorized capital increase on the basis of third part application (third parts applications) for his (theirs) acceptance as Bank member(s) and for the investment shall be made the decision on the Bank's Articles of Association amendment, concerning the acceptance of the third part (third parts) as member(s) of the Bank, his share (their shares) principal value and amount determination, increase of the Bank authorized capital amount and changes of amount of the Bank participants' shares. These decisions are made by all participants of the Bank *una voce*. The principal value of share, received by each of the third parts, accepted as a Bank participant, should be equal or less than the value of his investment.

3.12.12. Supplementary contributions by the Bank participants or by third parties shall be made not later than in six months after the General participants' meeting has taken resolutions, prescribed by provisions 3.12.10, 3.12.11 of § 3.12 of the present Articles of Association.

3.12.13. Application for the state registration of amendments provided by this chapter and introduced into the Articles of Association of the Bank shall be executed in compliance with the requirements of legislation of the Russian Federation. This application and also supporting documents of authorized capital increase, increase of principal value of shares of Bank participants who made additional investment, the third parties' acceptance, evaluation of principal value and amount of their shares, if necessary with Bank participants' share amount changes, and also documents that confirm the additional investments made in full by Bank participants or third parties shall be presented to the Bank of Russia during one month from the date of decision making on confirmation of results of additional investments made by Bank participants according to the provision 3.12.7 of § 3.12 of the present Articles of Association or additional investments made by Bank participants or third parties on the basis of application.

3.12.14. During three years upon the state registration of the relevant changes in the Bank's Articles of Association the Bank participants shall bear joint subsidiary responsibility for the Bank's liabilities in the amount of supplementary contributions that were not made, if the Bank suffers property insufficiency.

3.12.15. In case of failure to comply with the terms, provided by provisions 3.12.7., 3.12.12., 3.12.13. of § 3.12 of the present Article of Association, the Bank authorized capital increase is considered to be invalid.

3.12.16. If the authorized capital increase is not fulfilled, the Bank shall on reasonable time repay the investments to the Bank participants and third parties, who invested money, and in case of investments no-return during the mentioned period also pay the interests in order and within the terms, determined by the art. 395 of Civil Code of the Russian Federation.

3.12.17. The Bank shall on reasonable time return the investments to the Bank participants and third parties, who invested in non-monetary form, and in case of investments no-return during the mentioned period also refund the loss of profit, resulting from inability to use the invested property.

### **Article 3.13. The Bank authorized capital reduction**

3.13.1. The Bank has a right, and in cases provided by the current legislation of the Russian Federation it is obliged, to reduce its authorized capital.

The Bank authorized capital reduction is implemented by attrition of the principal value of all the Bank participants' shares in the authorized capital and (or) liquidation of shares, owned by the Bank.

The Bank is not within the right to reduce its authorized capital if, as the result of this reduction, its amount becomes lower than the authorized capital minimum dimension, fixed in accordance with the current legislation of the Russian Federation on the date of documents presentation for the state registration of appro-

appropriate amendments to the Bank's Articles of Association and in cases when in compliance with the current legislation of the Russian Federation the Bank shall reduce its authorized capital - on the date of the Bank state registration.

The Bank authorized capital reduction by attrition of the principal value of all the Bank participants' shares is implemented with the retaining of amount of all the Bank participants' shares.

3.13.2. The Bank shall adjust the authorized capital amount in accordance with the amount of its internal funds in following cases: - when at the end of accounting month the amount of Bank internal funds is lower than its authorized capital amount; - the Bank received the requirement from the Bank of Russia to bring into compliance the amount of the Bank's authorized capital with the amount of its fixed assets, if the accounting reports of the Bank and (or) the results of an inspection that was held in compliance with the requirements of the Federal law, proved that the amount of the Bank's fixed assets appeared to be less than its authorized capital.

3.13.3. Within three business days of adopting the resolution to reduce its authorized capital, the Bank shall notify the authority responsible for the state registration of legal entities and shall publish twice, at monthly intervals, notification of reduction of its authorized capital in the mass media which publishes information on state registration of legal entities. The company creditor, provided that its claims arose before the publishing of notification of reduction of the company's authorized capital, no later than within thirty days of the last publication of such notification is entitled to demand early performance of the relevant company's obligation. If early performance of such obligation is not possible, the creditor is entitled to demand termination of this obligation and compensation of damages incurred in connection therewith. Limitation period to bring these claims before the court is equal to six months upon the last publication of notification of reduction of the company's authorized capital.

3.13.4. State registration of the Bank authorized capital reduction can be made only by proof of notification of creditors in order, determined by provision 3.13.3. of § 3.13. of the present Articles of Association.

## **CHAPTER 4. ADMINISTRATION OF THE BANK**

### **4.1. General provisions.**

4.1.1. The Bank administrating authorities are:

- The Bank participants' general meeting;
- The Board of Directors;
- Collegial Executive Body – the Bank Directors;
- Single Executive Body – the Chairman of Board.

### **4.2. The Bank participants' general meeting**

4.2.1. The superior body of the Bank is the General meeting of the participants. It can be regular or special.

All participants of the Bank have a right to assist at the general meeting of the participants, take part in discussion of the agenda issues and vote on decision-making.

Provisions of the Bank constituent documents or decisions of the Bank bodies, which limiting the mentioned rights of the Bank participants shall be considered void.

4.2.2. The exclusive competence of the Bank participants' general meeting covers the following:

1. approval of the Bank's Articles of Association, amendments to it or approval of the Bank's Articles of Association in a new version, change in the size of the authorized capital, name of the Bank, location of the Bank;
2. determination of size of the Board of Directors, election of its members and early termination of their power;
3. decision on fees of members of Board of Directors for execution of their duties, determination of this fees' amount;
4. election and early termination of power of the Bank inspection commission members, determination of amount of fees and compensations paid out to them;

5. approval of the annual accounts and annual balance sheets;
6. decision-making on the Bank's net profit distribution among the participants;
7. approval (pass) of inner documents, regulating activity of the Board of Directors, Inspection Commission – Bank Board of Directors Provision, Bank Inspection Commission Provision/or for other purposes according to the legislation of the Russian Federation;
8. decision-making to place bonds and other emission securities;
9. decision-making on reorganization or dissolution of the Bank;
10. appointment of the liquidation commission and approval of the liquidation balance sheets;
11. decision on payment to creditors the actual value of the participant's share (part of share), upon who's property is levied an execution;
12. decision on pledge of share in the authorized capital;
13. decision to approve or subsequently approve major transactions related to the acquisition, disposition, or potential disposition of property by the Bank, where the value of such property equals to more than fifty percent of the Bank's assets;
14. decision to approve interested party transactions by the Bank, if the price of the transaction or the value of the property that is the subject of the transaction exceeds ten percent of the book value of the Bank's assets, determined based on the financial statements for the latest reporting period;
15. decisions on order of the Bank participants' general meeting procedure;
16. provision of supplementary rights to the participants (a participant);
17. giving supplementary obligations to a specified participant of the Bank;
18. giving supplementary obligations to all participants of the Bank;
19. termination or limitation of supplementary rights, provided to a specified participant of the Bank;
20. termination or limitation of supplementary rights, provided to all participants of the Bank;
21. termination of supplementary obligations, given to the Bank participants (participant);
22. approval of a monetary value of noncash contributions into the authorized capital, that are made by the Bank participants or by third parties;
23. approval of a share or a part of a share pledge by the Bank participant to a third party;
24. taking resolution on making contributions into the Bank's property by the Bank participants;
25. taking resolution on payment of an actual value of the property to the Bank participants when there is a reprimand on a share of one of the Bank participants;
26. approval of the Bank's business plans;
27. decisions on other issues, provided by current legislation of the Russian Federation and Articles of Association of the Bank.

4.2.3. The issues provided by subparagraphs 1, 2, 4 - 7, 9, 10 of the provision 4.2.2. of § 4.2. of the present Articles of Association and also other issues referred to the Bank participants' general meeting exclusive competence according to the legislation of the Russian Federation could not be referred to the competence of other Bank administrating authorities.

4.2.4. The Bank shall hold the Participants' general meeting every year. Ordinary General meeting of the participants is convened by the Board of Directors and is hold not earlier than two and not later than four months after the end of the financial year. At the ordinary general meeting of the participants shall be approved the annual results of the Bank activity. Every participant at the Bank participants' general meeting possesses the amount of votes pro rata his share in the authorized capital of the Bank and according to the votes count order provided by provision 3.6.4. of § 3.6. of the present Articles of Association.

4.2.5. The special general meeting of the Bank participants shall be held in cases of necessity because of interests of the Bank or its participants.

The special general meeting of the Bank participants is convened by the Board of Directors on its initiative, by request of the Bank Directors, Chairman of Board, Bank inspection commission, auditor organization, and also the Bank participants', possessing in total not less than 10% (ten per cents) of total number of the Bank participants' votes.

4.2.6. The Board of Directors shall consider the request on convocation of the participant's special general meeting and make a decision to hold the participants' special general meeting or reject in terms of five days

after the request had been received. The decision to reject of holding the participants' special general meeting can be made only in cases, when:

- the order of request to hold the special general meeting of the Bank participants, established by current legislation of the Russian Federation, was not observed;
- none of the issues, offered to be included into the agenda of the special general meeting of the Bank participants, is within its competence or conform to the requirements of current legislation of the Russian Federation

If one or multiple issues offered to be included into the agenda of the special general meeting are not within the competence of the general meeting or not conform to the requirements of current legislation of the Russian Federation, these issues should not be included into the agenda.

4.2.7. The Board of Directors cannot vary the definition and form of issues, offered to be included into the agenda of the special general meeting, and also change the offered procedure of the meeting.

4.2.8. Besides the issues offered to be included into the agenda of the special general meeting of the Bank participants, the Board of Directors at its own initiative can put additional issues in it.

4.2.9. In case of decision to hold the special general meeting of the Bank participants, this meeting shall be held not later than forty five days after the date of the appropriate requirement.

If the decision to hold the special general meeting of the Bank participants is not made during the period, determined by provision 4.2.6. of § 4.2. of the present Articles of Association or is made the decision to reject, the special general meeting can be convened by the bodies or parties, who advanced the request.

On this occasion the Board of Directors shall give the list of the Bank participants with their address to the mentioned bodies or parties.

Expenses on preparation, convocation and holding of this Bank participants' general meeting shall be refund at the expense of the Bank, under the decision of the participants' general meeting.

4.2.10. The body or parties who convene the General meeting of members shall no later than 30 (thirty) days prior to its date notify the Bank's members by one of the following: by registered mail, by telegraph, by a letter send by courier with acknowledgement of receipt, by e-mail. Provided that the Bank's member has not notified the Bank about the changes in its location, postal address or email address by the moment of sending the notification about the General meeting of members, such member shall be deemed to be duly notified, if the notification about the General meeting of members has been sent to the previously known address.

4.2.11. The meeting notification shall contain the information about the time and place of the Bank participants' general meeting, and also suggested agenda.

4.2.12. Every participant of the Bank has a right to suggest additional issues for the agenda of the Bank participants' general meeting at the latest fifteen days before the meeting. Additional issues, except for those not within the competence of the Bank participants' general meeting or not conform to the requirements of current legislation of the Russian Federation, shall be included into the agenda of the meeting.

The bodies and parties, convening the participants' general meeting cannot vary the definition and form of additional issues, offered to be included into the agenda of the Bank participants' general meeting.

4.2.13. When by suggestion of the participants the initial agenda of the Bank participants' general meeting is changed, bodies or parties, convening the participants' general meeting, shall inform all the participants about the appropriate changes at the latest ten days before the meeting by means, mentioned in provision 4.2.10. § 4.2. of the present Articles of Association.

4.2.14. By preparation of the Bank participants' general meeting the following information and materials shall be presented to the participants: the Bank's annual report; reports of the inspection commission and auditor organization, made on the basis of the Bank annual reports and annual balance sheets revision; information about the would-be-members of the Board of Directors and inspection commission of the Bank; draft of the amended Constituent Agreement and Articles of Association; or draft of Constituent Agreement and Articles of Association in new redaction; draft of internal documents of the Bank, and also other information, determined by current legislation of the Russian Federation, normative legal acts of state and municipal authorities, legal acts of the Bank of Russia, and also by this present Articles of Association and internal documents of the Bank.

The mentioned information and materials shall be presented for familiarization to all the Bank partic-

ipants at the place of location of the Bank Directors during 30 (thirty) days before the Bank participants' general meeting. By the participants' request the Bank shall present him copies of the mentioned documents. Payment for these copies presentation shall not exceed the expenses for their making.

4.2.15. In case of violation of the participants' general meeting convocation order this general meeting is considered as legally qualified if all the participants of the Company take part in it.

4.2.16. The Bank participants' general meeting is held in order, established by current legislation of the Russian Federation, this present Articles of Association and internal documents of the Bank. In part, not adjusted by current legislation of the Russian Federation, this present Articles of Association and internal documents of the Bank, the order of the Bank participants' general meeting shall be determined by the Bank participants' general meeting decision.

4.2.17. Before opening of the Bank participants' general meeting registration of the arrived participants shall be conducted. The participants of the Bank have a right to take part in the Bank participants' general meeting personally or through their representatives. The representatives shall present the Power of Attorney containing information about the represented person and representative himself (name or title, place of residence or place of location, passport information). The Power of Attorney shall be executed in accordance with requirements of Civil Code of the Russian Federation and certified by the notary public.

The participant of the Bank (the representative of the participant), who had not been registered, has no right to take part in voting.

4.2.18. The Bank participants' general meeting shall be opened in time, mentioned in the Bank participants' general meeting notification or earlier, when all the participants had been already registered.

The General Meeting of the Bank's participants is opened by the Chairperson of the Board of Directors of the Bank. The General Meeting of the Bank's participants, convened by the Board, the auditing organization, the inspection commission or by the Bank's members, is opened by the Chairperson of the Bank's Board, the Auditor, the Chairperson of the inspection commission or one of the Bank's members who has convened the General Meeting of the Bank's participants, respectively.

The Chairperson of the General Meeting of the Bank's participants is elected at each General Meeting of the Bank's participants from the Bank's participants taking part in this General Meeting.

4.2.19. The Chairperson of the General meeting of members shall appoint the Secretary of the General meeting to take the minutes of the General meeting. The resolution on a specific matter shall be passed by a majority of members participating in the General meeting of members.

The minutes of the General meeting of the Bank's members shall be issued in two copies no later than 10 days upon the closing of the General meeting. Both copies shall be signed by the Chairperson and Secretary of the General meeting of members. In this protocol shall be stated the following points:

- place and time of the meeting;
- persons, present at the meeting;
- chairman and secretary of the meeting,
- the agenda;
- the total number of the Bank participants' votes;
- the total number of votes, owned by the Bank participants', taking part in the meeting;
- issues for voting and their results;
- the made decisions.

The making of decisions by the General Meeting of Participants and the list of the Bank's participants who were present when the decision was made are confirmed by signing the minutes of the General Meeting of Participants by the Chairperson of the General Meeting of Participants and the Secretary of the General Meeting of Participants.

Protocol of the Bank participants' general meeting is signed by chairman and secretary of the meeting, who bear responsibility for the correctness of protocols drawing up.

If the parties concerned require the extract from the minutes of the General meeting of the members, such extract may be certified by the Chairperson of the General meeting of members, by the Secretary of the General meeting of members or by the sole executive body of the Bank.

No later than within ten days after the minutes of the General Meeting of the Bank's participants are

drawn up, a copy of the minutes of the General Meeting of the Bank's participants shall be sent to all the Bank's participants in the manner prescribed for notifying about the holding of the General Meeting of the Bank's participants.

4.2.20. The Bank participants' general meeting can decide only on issues of the agenda, reported to the participants in compliance with provisions 4.2.10.-4.2.13. of § 4.2. of the present Articles of Association, except for the cases when all the Bank participant take part in the Bank participants' general meeting.

4.2.21. Decisions on issues, mentioned in subparagraphs 1, 2, 4, 17, 19, 24 of provision 4.2.2. of § 4.2. of the Articles of Association and also on other issues, determined by the Articles of Association, are made by a majority, which are no less the two thirds of total number of the Bank participants' votes, unless the necessity of more votes to decide on these issues is provided by the current legislation in order.

Decisions on issues, mentioned in subparagraphs 9, 16, 18, 20, 21, 22, 23, and 25 of provision 4.2.2. of § 4.2. of the Articles of Association, are made by all the Bank participants *una voce*.

Other decisions are made by majority of total number of the Bank participants' votes, unless the necessity of more votes to decide on these issues is provided by current legislation of the Russian Federation.

The Bank participants' general meeting decisions are made at the open voting.

4.2.22. The Bank participants' general meeting decision can be made without holding of the General meeting (presence of the Bank participants for discussion of issues of the agenda and decision on issues, put to vote) by means of absentee voting (by poll). This voting can be conducted in counterparts by post, telegraph, teletype, telephone, electronic and other means communication, providing authenticity of transmitted and received information and their documentary proof. The Bank participants' general meeting decision, mentioned in subparagraph 5 of provision 4.2.2. of § 4.2. of the present Articles of Association, cannot be made by the absentee voting (by poll).

By the Bank participants' general meeting decision made by means of absentee voting (by poll) shall not be applied provisions 4.2.17., 4.2.18., 4.2.20. of § 4.2. of the present Articles of Association, and also provisions of provisions 4.2.10., 4.2.11., 4.2.12., 4.2.13. and 4.2.14 of § 4.2. of the present Articles of Association in part or terms, provided by them.

4.2.23. The order of absentee voting is determined by the internal document of the Bank, which provide obligatory informing of all the Bank participants about the offered agenda, possibility of familiarization of all the participants to all the necessary information and materials before the voting, possibility to suggest additional issues to be introduced into the agenda, obligatory informing of all the participants about the changed agenda before the voting, and also the date of voting procedure term.

### **Article 4.3. Board of Directors**

4.3.1. The Board of Directors exercises the general management of the Bank.

The Board of Directors is elected by the Bank participants' general meeting. The voting is conducted separately for each of candidates. The candidates, who won the maximum of votes, shall be considered as elected in the membership of the Board of Directors. The Board of Directors work order and decision-making process are determined by the present Articles of Association and Regulations concerning the Bank Board of Directors.

4.3.2. Only individual person can be the member of the Board of Directors.

4.3.3. The Bank Directors members shall form only one fourth of membership of the Board of Directors. The Chairman of Board cannot be the Chairman of Board of Directors at the same time.

4.3.4. The Board of Directors shall hold its meetings as and when necessary, but at least once a quarter. Meetings of the Board of Directors are convened by the Chairman of Board of Directors (or on his behalf by one of the members of Board of Directors) at his own initiative by request of member of Board of Directors, Bank Board, Chairman of Board, inspection commission or audit organization of the Bank at the latest 10 days after a date of the mentioned request.

4.3.5. Meeting of the Board of Directors is eligible (has the quorum), when no less than a half of the elected members take part in it.

In case when the number of members of the Board of Directors becomes less than amount forming



the mentioned quorum, Board of Directors shall decide on holding the special general meeting of the Bank participants' in order to elect the new membership of the Board of Directors.

The remained members of the Board of Directors have a right to decide only on convocation of the mentioned special general meeting of the Bank participants'.

4.3.6. The written opinion of member of the Board of Directors absent at the meeting, presented by the filled in ballot and received by the Board of Directors before the meeting's date, shall be taken into account by determination of quorum and vote counting.

4.3.7. Meetings of the Board of Directors can be held in a form of videoconference or conference call.

4.3.8. Decisions at the meeting of the Board of Directors are made by a simple majority of votes of its members, participating in the meeting.

Every participant of the Board of Directors has one vote in the decision-making process at the meeting. Transfer of voting rights from the member of Board of Directors to another person, including other member of Board of Directors, is not allowed. By tie vote, the vote of Chairman of the Board of Directors shall be a casting one.

4.3.9. Voting on issues posed on consideration of Board of Directors for decision can be exercised with ballots, regardless of voting form. By voting of the Board of Directors in a form of polls, voting on issues of the agenda is exercised only with the voting ballots.

4.3.10. Notification about the meeting of Board of Directors and also the voting ballots are sent to the members of Board of Directors at the last reported address at least 2 days before the date of meeting.

4.3.11. Notifications and voting ballots are sent in non-registered letter by electronic mail or handed over to the member of Board of Directors personally against signature.

4.3.12. Notification about the meeting of Board of Directors shall contain the date, place and time of meeting, agenda issues, list of documents concerning the agenda issues.

4.3.13. Documents and materials concerning the agenda issues shall be sent to all the members of Board of Directors together with the meeting notification.

4.3.14. Decisions of the Board of Directors can be made by absentee voting. Ballots for the absentee voting shall be sent not later than 5 days before the term of presentation to the Bank by the members of Board of Directors, participated in voting. Ballots shall contain presentation of issues posed to voting and variants of answers, and also information about the terms and order of their filing to the Bank. The decision-making order of the Board of Directors in part, not adjusted by this present Articles of Association, is determined by Regulations concerning the Bank Board of Directors.

4.3.15. Members of Board of Directors elect the Chairman of Board of Directors from their membership.

4.3.16. Chairman of the Board of Directors:

- administers work of the Board of Directors;
- presides during the meetings of Board of Directors;
- convenes the meetings of the Board of Directors;
- signs protocols of meetings of the Board of Directors;
- exercise other actions, necessary to achieve purposes of the Bank.

4.3.17. The Chairman of Board of Directors and its members are free not to be the Bank participants.

4.3.18. Members of the Board of Directors are elected for one year and can be re-elected indefinitely many times.

4.3.19. The Bank is obliged to notify the Bank of Russia in writing of the election of a member of the Board of Directors of the Bank within three days upon making such a decision and of the dismissal of a member of the Board of Directors of the Bank no later than the next working day following the day of making a decision on the termination of powers.

4.3.20. Shall the general participants' meeting resolve so, the powers of any participant (all participants) of the Bank Board of Directors may be terminated early.

4.3.21. The Chairperson of the Managing Board of the Bank, vice-chairperson and members of the Managing Board of the Bank can be invited to and can participate in the meetings of the Board of Directors in an advisory capacity, if they are not members of the Board of Directors.

4.3.22. Competence of the Board of Directors covers the following:

- (1) determination of main areas of the Bank's activity;
- (2) approval of the Bank's Development strategy;
- (3) approval of the Bank's risks and capital management strategy, including in terms of securing the adequacy of own funds (equity) and liquidity to cover risks both for the Bank in general and for specific areas of its activity, as well as approval of the procedure to manage the most significant risks and control the implementation of this procedure;
- (4) resolution of issues concerning preparation, convocation and holding of the Bank participants' general meeting;
- (5) approval of agenda of the Bank participants' general meeting;
- (6) recommendations, concerning the Bank's net profit distribution among its participants and order of the distributed net profit payment;
- (7) appointment of an audit inspection, approval of an audit organisation and determination of its remuneration;
- (8) recommendations concerning the amount of fees and compensations paid out to the members of the Bank inspection commission
- (9) making decisions about duties of the members of the Board of directors, including establishing committees within the Board, assessment of its own work and presenting its results to the General meeting of the Bank's members;
- (10) establishing the Managing Board of the Bank, appointment the Chairperson of the Managing Board of the Bank and early termination of his/her powers, agreement with appointment of members of the Managing Board upon recommendation of the Chairperson of the Managing Board, determining the amount of remuneration and compensation paid to the members and to the Chairperson of the Managing Board;
- (11) making decisions about appointment and dismissal of deputy chairpersons of the Managing Board, Chief accountant of the Bank, head of the risk management department and head of the security department of the Bank, as well as head of internal audit department;
- (12) timely verification of compliance of the system of internal control bodies with the nature, scope and conditions of the Bank's activity in case of changes therein;
- (13) arranging the assessment of the level of corporate management in the Bank and annual review of the results of this assessment summarized by the Internal control department;
- (14) approval of the procedure to avoid the conflict of interests between the Bank's members, members of the Board of Directors and executive bodies, employees, creditors, depositors, clients, and counterparties;
- (15) approval of the policy in the sphere of labor remuneration and control over its implementation;
- (16) approval of the Bank's employee incentive program;
- (17) opening and closing of affiliated and representative offices, approval of provisions about them, changing of affiliated offices' status into a status of an internal structural subdivision;
- (18) making decisions about the Bank's participation in associations and other unions of profit-making organizations;
- (19) decisions on making major transactions related to purchase, alienation or possibility of alienation – directly or indirectly – of the Bank property, which value varies from twenty five to fifty percent of the Bank property value;
- (20) decision on making transaction, which the Bank is interested in, when the sum of this transaction or value of property – subject of transaction – does not exceeds two percent of the Bank's property value, fixed under the accounting data for the last accounting period;
- (21) making decisions about writing off from the Bank's balance of bad and/or uncollectible debts against allowance according to the regulations of the Bank of Russia if the amount of debt exceeds five percent of the Bank's own equity, and in case of related borrowers – if the amount of debt exceeds one percent of the Bank's own equity;
- (22) approval of the Bank's Budget for the coming year;

- (23) approval of Regulation of Internal control department;
- (24) approval of Bank funds Regulation;
- (25) examination and approval (adoption) of the Bank's internal documents as regards the matters which should be solved by the Board of directors according to federal laws, Articles of Association of the Bank, the Bank's internal documents, including the documents which organize the Bank's activity in the following areas:
  - banking risk management;
  - organization of the internal control system (documents prepared by the Board of the Bank, the internal audit service, other structural divisions of the Bank, the auditing organization that is conducting (has been conducted) the audit);
  - interest-rate, credit, deposit policy, policy of information and economic security and other policies (excluding accounting policy);
  - the policy of limiting banking risks in relation to all banking operations and other transactions made by the Bank;
  - and other documents;
- (26) approval of procedure to apply banking methods of risk management and models of quantitative risk assessment, including the assessment of assets and liabilities, off-balance claims and obligations of the Bank, as well as scenario and results of stress testing;
- (27) approval of maximum allowed overall risk level of the Bank and the frequency of its review;
- (28) periodic review of the amounts of internal bank limits in terms of their compliance with the changes in the development strategy, with the peculiarities of new banking services provided by the Bank, and with the overall conditions of the banking service market;
- (29) approval of the list and materiality level (internal bank limits) of banking operations and other transactions to be considered by the Board of directors;
- (30) determining the procedure of performing control over risks which arise while crediting the persons related to the Bank;
- (31) approval of the plan to recover financial stability in case of significant deterioration of the Bank's financial position, the plan of actions aimed at ensuring continuity of operations and (or) recovery of the Bank's activity in case of abnormal or emergency situations, audit plans of the Internal Audit Service, review of reports of the Internal Audit Service;
- (32) hearing reports about the outcomes of the Bank's activity in the reporting period;
- (33) controlling the activity of the executive bodies of the Bank related to banking risk management and assessing the efficiency of banking risk management;
- (34) taking measures which ensure that the Managing Board and the Chairperson of the Managing Board timely implement recommendation and suggestions of the Internal control department, the audit organization which is carrying out (have carried out) an audit, and of the supervisory authorities;
- (35) regular, at least once in half a year examination:
  - efficiency of internal control in the Bank and discussion of the issues connected with arranging internal control and measures to enhance its efficiency with the Bank's executive bodies;
  - report containing the results of implementation of Internal control rules for the purposes of anti-money laundering and combating the financing of terrorism and financing of proliferation of weapons of mass destruction;
  - reports on risk management, risk assessment, as well as on information and economic security management;
- (36) establishment and functioning of an effective internal control system;
- (37) assessing, based on the reports of the Internal Audit Service, compliance by the sole executive body of the Bank and the collective executive body with the strategies and procedures approved by the Board of Directors of the Bank;
- (38) approval of the Bank's personnel policy (procedures for determining the salaries of the Bank's managers, procedures for determining the amount, forms and accrual of compensation and incentive payments to the Bank's managers, the head of the risk management department, the head of the inter-

nal audit service, the head of the Bank's Internal Control Service and other managers (employees) who make decisions on the Bank's operations and other transactions, the results of which may affect the Bank's compliance with mandatory standards or the emergence of other situations that threaten the interests of depositors and creditors, including the grounds for taking measures to prevent the Bank's insolvency (bankruptcy), qualifying requirements for these persons, as well as the amount of the Bank's wage fund);

(39) consideration of other issues, except for those, which is within exclusive competence of the Bank participants' general meeting, Bank Directors and Chairman of Board.

4.3.23. At the meeting of the Board of Directors the protocol shall be kept. In order to keep this protocol the Board of Directors can appoint secretary of the meeting.

The Board of Directors' meeting protocol shall be drawn up at the latest three days after the meeting and sent (handed) to each of members of the Board of Directors in a period of 5 days after the meeting.

4.3.24. The Board of Directors' meeting protocol is signed by chairman and secretary of the meeting, who bear responsibility for the correctness of protocols drawing up. Secretary of the meeting and Chairman of Board are authorized to certify extracts of Board of Directors' meeting protocols.

4.3.25. Records of meetings of the Board of Directors shall be available for familiarization for each of the Bank's participants and members of Board of Directors at the place of location of the Bank.

4.3.26. The Chairman of Board shall assist the Chairman of the Board of Directors in resolution of issues of the Board of Directors' meeting preparation and holding organization support and control of the Board of Directors' decisions implementation.

4.3.27. Members of Board of Directors shall command loyalty to the Bank. They cannot take the granted opportunities for the purpose, contrary to this present Articles of Association or to cause damage to the Bank interests.

4.3.28. Order of nomination and election, rights and liabilities, responsibility of members of the Board of Directors, compensation, order of convocation and holding of the Board of Directors' meeting, not adjusted by the present Articles of Association, are determined by Regulations concerning the Bank Board of Directors.

4.3.29. Candidates for positions as members of the Bank's Board of Directors shall meet the requirements for business reputation as stipulated by Article 16 of the Federal Law "On Banks and Banking Activities," as well as the qualifications requirements established in accordance with the federal legislation of the Russian Federation.

#### **Article 4.4. Executive bodies of the Bank**

4.4.1. The Bank Directors and the Chairman of Board are executive bodies of the Bank carrying out the Bank's current activity management.

4.4.2. The Bank Directors and the Chairman of Board are accountable to the Bank participants' general meeting and Board of Directors.

4.4.3. The Bank Directors and the Chairman of Board organize implementation of decisions made by the Bank participants' general meeting and Board of Directors.

4.4.4. The Bank Directors is a collegial executive body of the Bank. It is appointed by the Board of Directors for one year. The Bank Directors are elected six (6) in number. The Bank Directors working order and its decision-making procedure is determined by the present Articles of Association and Regulations concerning the Board of Directors.

4.4.5. Only individual person can be a member of the Bank Directors. This person is free not to be the Bank participant.

4.4.6. The Bank Directors execute powers delivered to their competence by the present Articles of Association.

4.4.7. Functions of Chairman of the Bank's collegial executive body are exercised by the person exercising functions of the Chairman of Board.

4.4.8. The Bank Directors shall:

- (1) within their competence carry out the Bank's current activity management and is accountable to the Bank participants' general meeting and Board of Directors;
- (2) approve the candidates for the positions of a director, deputy directors of the Bank's subsidiary, Chief accountant, deputy Chief accountant of the Bank's subsidiary, make decision about submission to the territorial divisions of the Bank of Russia requests about agreement upon the candidates for the positions of the heads of the subsidiary (a director and a Chief accountant);
- (3) provisionally consider all the issues of the Bank's activity, which shall be considered by the Bank participants' general meeting or by the Board of Directors, can work out appropriate documents and materials and decision drafts under these issues;
- (4) arrange the drafting of the Bank's development strategy, the Bank's budget for the upcoming year and submit them to the Board of director of the Bank for approval;
- (5) prepare and review preliminary the annual report of the Bank;
- (6) decide on issues of opening and closure of internal structural subdivisions of the Bank and its affiliates;
- (7) consider Bank development Strategy, Bank development business plan for the following year;
- (8) decide on making transactions connected with the purchase, disposal of or the possibility of disposal, directly or indirectly, of the property the value of which exceeds 5 (five) percent of the amount of the Bank's own funds, but no less than twenty five percent of the value of the Bank's property;
- (9) make decisions on the order of termination of obligations under loan agreements as prescribed by the Civil Code of the Russian Federation, or by other laws, legal acts or agreement, including payoff, setoff, waiver of debt, impossibility to perform obligations, the property value of which exceeds 5 (five) percent of the amount of the Bank's own funds, but no less than twenty five percent of the value of the Bank's property;
- (10) decision-making on classification of loan and similar indebtedness to create reserve funds for potential loan losses in cases prescribed by the regulatory acts by the Bank of Russia and internal documentation of the Bank;
- (11) make decisions about writing off from the Bank's balance of bad and/or uncollectible debts against allowance according to the regulations of the Bank of Russia if the amount of debt is less than five percent of the Bank's equity, and in case of related borrowers – if the amount of debt is less than one percent of the Bank's equity;
- (12) examine the outcomes of the Bank's activity, including the implementation of the main areas of the Bank's activity;
- (13) examine the documents of audits, inspections which require the interference of the Managing Board, as well as reports of the heads of subsidiaries, autonomous and internal structural subdivisions of the Bank;
- (14) approve internal documents of the Bank which establish the main rules and procedures of risk management, as well as other matters connected with risk management, as provided for in the Bank's internal documents, excluding the documents and matters which are reserved for the Board of directors;
- (15) approve internal documents of the Bank which establish the main rules and procedures of information and economic security management, as well as other matters connected with information and economic security management, as provided for in the Bank's internal documents;
- (16) determine responsibility for implementation of decisions of the Board of directors, implementation of the Bank's strategy and policy as regards organization and carrying out of internal control and approve the internal documents in this sphere;
- (17) delegate powers to develop plans and procedures for internal control to the heads of the relevant structural subdivisions and supervise their fulfillment;
- (18) verify the compliance of the Bank's activity with the internal documents which establish the procedure of internal control and assess the content of such documents in terms of its compliance with the nature and scope of the conducted activities;
- (19) approves documents and outcomes of periodic assessments of efficiency of internal control;
- (20) implement measures to ensure effective functioning of the internal control system, controlling the organization of the Bank's activity in order to ensure effective functioning of the internal control system;

- (21) establish effective systems of transfer and exchange of information which ensure the receipt of the necessary data by the parties concerned. The systems of transfer and exchange of information shall include all documents which determine operations and activities of the Bank;
- (22) establish system of control over elimination of the revealed violations and deficiencies of internal control and over measures taken to eliminate them;
- (23) establish the procedure of timely regulation of interest rates for debit and credit operations of the Bank;
- (24) determine maximum and minimum of interest rates for debit and credit operations of the Bank;
- (25) establish basic fees and prices for transaction made by the Bank;
- (26) organize the management of the Bank's assets and liabilities;
- (27) approve other internal documents governing the Bank's activity, excluding the documents which should be approved by the General meeting of the Bank's members, by the Board of directors or by the Chairperson of the Managing Board;
- (28) allocate responsibilities to departments and employees responsible for specific areas (methods, means of implementation) of internal control;
- (29) examines and resolves other issues connected with the Bank's activity, except for those which are within the competence of the General meeting of the Bank's members, the Board of directors of the Bank, the Chairperson of the Managing Board of the Bank.

4.4.9. The Bank Directors is authorized to decide on issues of its competence, when no less than a half of the Bank Directors' elected members participate in the meeting. The Bank Directors' decisions are made by a simple majority of votes of the Bank Directors' members participating in the meeting, including cases of vote counting it is considered the absent member written opinion, presented before the meeting in a form of the filled in ballot. By tie vote, the vote of Chairman of Board shall be the casting one. By dissent from the made decision members of the Bank Directors' can give their opinion to the Board of Directors.

4.4.10. In case when the number of the Bank Directors' members becomes less than amount forming the mentioned quorum, the Board of Directors shall reform the Bank Directors.

4.4.11. The Bank Directors' meetings are organized by the Chairman of Board, who signs all the documents and protocols of the Bank Directors' meetings on behalf of the Bank and acts without Power of Attorney on behalf of the Bank in compliance with the Bank Directors' decisions, made within its competence.

4.4.12. Transfer of voting rights from the member of the Bank Directors' to another person, including other member of the Bank Directors', is not allowed.

4.4.13. Candidates for offices of Chairman of Board, Deputy Chairmen of Board, the would-be-members of the Bank Directors, Chief Accountant, Deputy Chief Accountants of the Bank, and also for offices of Director, Deputy Directors, Chief Accountant and Deputy Chief Accountants of the Bank's affiliate shall conform the requirements for business reputation as stipulated by Article 16 of the Federal Law "On Banks and Banking Activities," as well as the qualifications requirements established by the federal legislation of the Russian Federation and by the regulations of the Bank of Russia adopted in accordance therewith, and shall be adjusted with territorial institution of the Bank of Russia in order, established by the Bank of Russia.

4.4.14. At the Bank Directors' meeting the protocol shall be kept. In order to keep this protocol the Bank Directors can appoint secretary of the meeting.

The Bank Directors' meeting protocol shall be drawn up at the latest after a day following the date of the meeting and sent (handed) to each of the Bank Directors' members in a period of 2 (two) days after the meeting.

4.4.15. The Bank Directors' meeting protocol is signed by the Chairman of Board or Acting Chairman of Board and secretary of the meeting, who bear responsibility for the correctness of protocols drawing up.

4.4.16. Secretary of the meeting and also the Chairman of Board are authorized to certify extracts of Bank of Directors' meeting protocols.

4.4.17. The Chairman of Board is a single executive body of the Bank appointed by the Board of Directors for two years.

4.4.18. The Chairperson of the Managing Board can only be a natural person. The Chairperson of the Managing Board who is not the Bank's member can be invited to participate in the General meeting of the Bank's

members in an advisory capacity.

4.4.19. The Chairman of Board in virtue of his competence shall:

- (1) exercise the Bank's activity operative management;
- (2) act without Power of Attorney on behalf of the Bank, represent it in all institutions, enterprises and organizations;
- (3) issue Representation Powers on behalf of the Bank, including Powers of Attorney and Substitution;
- (4) administer the Bank's property and assets within the limits, determined by the Bank Articles of Association and current legislation of the Russia Federation, independently conduct transactions, at that, the certain types of transactions, determined by the law or this present Articles of Association could be conducted by the Chairman of Board in the presence of decision of appropriate administrative body of the Bank;
- (5) coordinate activity of structural subdivisions of the Bank, decide on control over activity of the Bank's structural subdivisions, its subsidiaries and representative offices, decide on the opening and closing of the Bank's internal structural subdivisions;
- (6) issue orders on hire, transfer and dismissal of employees, take measures of encouragement of the Bank's employees and execute levies
- (7) select member of committees established by resolution of the Managing Board;
- (8) nominate candidates for the positions of members of the Managing Board, deputy chairpersons of the Managing Board, Chief accountant, deputy Chief accountants, directors of the Bank's subsidiary, deputy directors of the Bank's subsidiary, Chief accountants and deputy Chief accountants of the Bank's subsidiary;
- (9) make decisions and issue orders on operational matters of the Bank's internal activity, obligatory for all employees of the Bank;
- (10) decide on making transactions connected with the purchase, disposal of or the possibility to dispose, directly or indirectly, of the property the value of which is less than 5 (five) percent of the amount of the Bank's own funds (equity);
- (11) decide on the procedure of termination of obligations under credit agreements on the grounds provided for in the Civil Code of the Russian Federation, other laws and regulations or the contract, including compensation for termination of the contract, setoff, waiver of debts, impossibility of performance, the property value of which is less than 5 (five) percent of the amount of the Bank's own funds (equity);
- (12) approve reports on the implementation of the Internal Control Service's activity plans in the field of regulatory risk management and of the Internal Control Service's activity plans in the field of regulatory risk management;
- (13) allocate duties of subdivisions and employees responsible for specific areas (forms, means of performance) of internal control and approve documents in this sphere;
- (14) allocate powers and responsibility in banking risk management among the heads of subdivisions of different levels, provide them with the necessary resources, establish cooperation and reporting procedure;
- (15) control timely identification of banking risks, adequacy of determination (assessment) of their extent, timely implementation of necessary risk management procedures;
- (16) approve internal banking documents (excluding the documents which shall be approved by the General meeting of members, the Board of directors, and the Managing Board), including:
  - staff pattern and personnel chart of the Bank, including personnel chart of subsidiaries;
  - regulations of structural subdivisions of the Bank (departments, directions and offices of the parent bank, subsidiary offices, operating cash desks and other internal structural subdivisions);
  - job descriptions of the Bank's employees, including heads of subdivisions of the parent Bank and heads of subsidiaries, subsidiary offices;
  - Internal control rules for the purposes of anti-money laundering and combating the financing of terrorism and financing of proliferation of weapons of mass destruction;
  - accounting policy of the Bank;
  - templates of contracts and other internal documents of the Bank (regulations, rules, rules of procedure, instructions) governing the internal activity of the Bank and adopted pursuant to regulations of the Bank of Russia;
- (17) direct the activities of the Managing Board, organize and hold meetings of the Managing Board;
- (18) demand the convention of the extraordinary General meeting of the Bank's members;

- (19) solve the main issues connected with crediting, settlements, other banking and financial operations, reporting, accounting, internal bank control, investment policy, improvement of the customer service;
- (20) control the preparation of necessary materials and proposals to be examined by the General meeting of the Bank's members, the Board of Directors and the Managing Board and ensure the implementation of resolutions passed by these bodies;
- (21) timely inform the members of the Bank about potential negative trends in the Bank's development;
- (22) approve the list of data which shall be treated as proprietary information;
- (23) approve basic deposit and credit rates, fees in the framework of basic fees, rates on re-assignment of money within the Bank;
- (24) approve the Instruction on internal control of the professional activities in the securities market within the Bank;
- (25) perform other actions, necessary to achieve purposes of the Bank, except for those, directly settled on the Bank participants' general meeting, Board of Directors and Bank Directors competence in accordance with the present Articles of Association.
- 4.4.20. The Chairman of Board cannot be elected to the inspection commission of the Bank.
- 4.4.21. The Chairman of Board in his actions shall comply with decisions, made by the Bank Directors in accordance with their competence.
- 4.4.22. Rights and obligations of the Chairman of Board and members of the Bank Directors are determined by legislation of the Russian Federation, this present Articles of Association, Regulations concerning the Board of Directors of Bank and contracts, concluded by the Bank with Chairman of Board and members of the Bank Directors.
- 4.4.23. The contract with Chairman of Board and members of the Bank Directors shall be signed on behalf of the Bank by the Chairman of the Bank's Board of Directors or by the person, authorized by the Board of Directors.
- 4.4.24. The Board of Directors can at any time terminate powers of the Chairman of Board and members of the Bank Directors in advance.
- 4.4.25. In the temporary absence of the Chairperson of the Managing Board (illness, leave, business trip etc.) his/her duties shall be performed by the person appointed by the Order to perform the duties of the Chairperson of the Managing Board.
- 4.4.26. For the purposes of effective and efficient management of the Bank, the Chairperson of the Managing Board may delegate powers given to him/her under these Articles of Association to other employees of the Bank pursuant to the Power of Attorney.

#### **Article 4.5. Appeal of the Bank administrative decisions**

- 4.5.1. The Bank participants' general meeting decision made with violation of requirements of current legislation of the Russian Federation, other legal acts of the Russian Federation and this present Articles of Association, and infringing the rights and legitimate interests of the Bank participant, can be nullified by court under the application of participant, who have not participated in voting or voted against the controvertible decision.
- 4.5.2. With consideration for all the circumstances of the case the court is within the right to uphold the appealed decision, when voting of the Bank participant who made an application could not affect the vote results, committed violations are not substantial and for the mentioned participant of the Bank this decision did not result in infliction of losses.
- 4.5.3. Decision of Board of Directors, Chairman of Board and Bank Directors made with violation of requirements of current legislation of the Russian Federation, other legal acts of the Russian Federation and this present Articles of Association, and infringing the rights and legitimate interests of the Bank participant, can be nullified by court under the application of this participant.
- 4.5.4. The application of participant on nullification of the decision of the Bank participants' general meeting or other Bank management body can be brought before the court in a period of two months from the date, when the Bank participant got to know or should have got to know about the made decision and circumstanc-



es that are basis for its nullification.

4.5.5. Annulment of a resolution of the Bank Board of Directors on calling of the general participants' meeting does not result in annulment of the resolution of the general participants' meeting that was held in accordance with the resolution deemed to be invalid.

4.5.6. Resolutions of the general participants' meeting taken on the issues that were not included in the agenda (except for the case when at the general participants' meeting all the participants were present), or taken by insufficient number of votes, are not effective irrespective of their appeal in court.

#### **Article 4.6. Liability of Board members, Chairman of Board and Bank Directors**

4.6.1. Exercising their rights and obligations the Board members, Chairman of Board and Bank Directors should act in the interests of the Bank.

4.6.2. The Board members, Chairman of Board and Bank Directors shall be responsible before the Bank for losses, caused to the Bank by means of their guilty activity (omission), unless other reasons and amount of responsibility determined by the federal law. At the same time, those Board members and Bank directors who voted against the decision, which resulted in the mentioned losses, or have not participated in voting, shall not be responsible before the Bank.

4.6.3. Reasons and amount of responsibility of the Board members, Chairman of Board and Bank Directors shall be determined with regard to the ordinary course of business and other substantial circumstances of the case.

4.6.4. In case when, in compliance with provisions of this chapter, the responsibility is taken by more than one person, they shall be jointly responsible before the Bank.

4.6.5. The Bank or its participant can apply to court with the claim for compensation of losses, caused to the Bank by the Board member, Chairman of Board and Bank Director.

### **CHAPTER 5. THE BANK FINANCIAL AND ECONOMIC ACTIVITY CONTROL**

Supervision over and inspection for the Bank's activity is carried out by the Bank of Russia and bodies, authorized for it by legislation of the Russian Federation.

#### **Article 5.1. Bank Inspection Commission**

5.1.1. The Bank financial and economic activity control is implemented by the inspection commission.

5.1.2. The inspection commission is elected by the Bank participants' general meeting in amount of at least two persons for the term until the next annual General meeting of the Bank participants.

5.1.3. Members of the inspection commission cannot be at the same time members of Board of Directors and hold other offices of the Bank administrating bodies.

5.1.4. The inspection commissions can at any time conduct examination of the Bank financial and economic activity, and have access to all documentation, concerning the Bank activity. By request of the Bank's inspection commission, members of the Board of Directors, Chairman of Board, Bank Directors' members, and also employees of the Bank shall give the necessary explanations in verbal or written form.

5.1.5. The Bank's inspection commission shall without fail examine annual reports and balance sheets of the Bank before approval by the Bank participants' general meeting. The Bank participants' general meeting has a right to approve annual reports and balance sheets of the Bank in the absence of the inspection commission conclusions.

5.1.6. In the course of its functions the inspection commission can recruit experts among persons, who do not hold established posts of the Bank.

Chairman of the inspection commission is responsible for actions of involved specialists.

5.1.7. The inspection commission work order is defined by Provision concerning the inspection commission, approved by the Bank participants' general meeting.

The inspection commission shall present to the Bank participants' general meeting the report of con-

ducted inspections and examinations, and also – for the presented for approval annual report, including balance sheet and statement of profit and loss - the conclusion of conformity to the actual status of the Bank, with recommendations for the discovered defects elimination.

5.1.8. The Bank financial and economic activity control is carried out on the basis of annual results of the Bank activity, and also any time at the initiative of the Bank's inspection commission, by decision of the General participant' meeting, Board of Directors or by request of the Bank participant (participants), collectively owning no less than 10 percent of total number of the Bank participant's votes.

5.1.9. In accordance with the inspection results, in case of threat for the Bank interests or its depositors, or when the Bank officials' abuse was discovered, the inspection commission can claim for the Bank special general meeting convocation.

5.1.10. Inspection results drawn up in documents are presented by the inspection commission for consideration of the Board of Directors, Bank Directors, and also the Chairman of Board in order to take measures.

5.1.11. For the Bank financial and economic activity control, and also for the examination and approval of annual reports and balance sheets reliability, the Bank annually under the Participant's general meeting decision shall recruit a professional audit organization, having a license for audit activity and not associated by property interests with the Bank, its participants, members of Board of Directors, members of Bank Directors and Chairman of Board.

5.1.12. The audit organization is approved by the Bank participants' general meeting.

5.1.13. By request of any participant of the Bank, audit can be conducted by the chosen professional audit organization, which shall conform to the requirements, established by provision 5.1.11. of § 5.1 of the present Articles of Association. In case of this type of audit, the audit organization service payment is made at the expense of the Bank participant, by whose request it is conducted. The Bank participants' costs for the audit organization service payment can be returned him under the Bank participants' general meeting decision at the expense of Bank's assets.

5.1.14. The Bank audit control is carried out in compliance with legislation of the Russian Federation on the basis of contract, concluded with the audit organization.

5.1.15. The audit organization shall prepare the audit results conclusion, containing information about the Bank financial reporting reliability, implementation of obligatory norms, provided by the Bank of Russia, the Bank's management quality, internal control status and other provisions, determined by federal law and the Bank's Articles of Association.

## **Article 5.2. Internal control of the Bank**

5.2.1. For effective inner control of the Bank there was organized an internal control system that is an aggregate system of agencies and course of internal control, providing maintenance of order of implementation and achievement of purposes, determined by legislation of the Russian Federation, statutory acts of the Bank of Russia, this present Articles of Association and internal documents of the Bank.

5.2.2. The Bank internal control system comprises the following courses:

- (1) control of the Bank's activity arrangement from administrative agencies;
- (2) control of functioning of the banking risk management system and banking risk assessment;
- (3) control of division of powers in the processes of banking operations and other transactions;
- (4) control of communication management and maintenance of information security;
- (5) permanent supervision of functioning of the internal control system in order to assess the quality of its conformity to the Bank's activity goals, discover weakness, work out suggestions and exercise control of implementation of decisions, concerning the Bank internal control system development.

5.2.3. The Bank internal control system shall comply with requirements, established by statutory acts of the Bank of Russia, this present Articles of Association, conform to the nature and range of operations, conducted by the Bank and implement purposes, formulated by the Bank Administration.

5.2.4. Internal control of the Bank is carried out in order to provide the following:

- (1) effectiveness of financial and economic activity in the processes of banking operations and other transactions, effectiveness of asset and liability management, including maintenance of assets, banking risk management;
- (2) authenticity, completeness, objectivity and timeliness of preparation and presentation of financial,

accounting, statistical and other reporting (for internal and external users), and also information security (Bank interests and goals security within information sphere);

(3) observance of normative legal acts, standards of self-regulating organizations, constituent and internal documents of the Bank;

(4) elimination of involvement of the Bank and its employees into the illegal activity, including legitimization (laundering) of the proceeds of crime and the financing of terrorism and financing of proliferation of weapons of mass destruction;

(5) timely presentation of information to the state authorities and the Bank of Russia in accordance with legislation of the Russian Federation.

5.2.5. The Bank internal control system is an aggregate system of administrating authorities and subdivisions and employees of the Bank, exercising functions within the framework of the internal control system.

5.2.6. The Bank internal control in accordance with powers, defined by the present Articles of Association and internal documents of the Bank is carried out by:

5.2.6.1. Administrating authorities of the Bank:

- The Bank participants' general meeting;
- Board of Directors;
- Bank Directors;
- Chairman of Board (Deputy Chairman) of the Bank;

5.2.6.2. Chief Accountant (Deputy Chief Accountant) of the Bank;

5.2.6.3. Directors (Deputy Directors), Chief Accountants (Deputy Chief Accountants) of the Bank affiliates;

5.2.6.4. Inspection commission of the Bank;

5.2.6.5. Collective bodies (committees and commissions);

5.2.6.6. Subdivisions and employees performing internal control pursuant to the powers determined by the internal documents of the Bank, including:

- The Bank's internal control service;
- Internal Audit Service;
- Risk Management Department;
- Department of Financial Monitoring governed by the head of department who is an employee responsible for anti-money laundering and combating the financing of terrorism (hereinafter referred to as the responsible employee) and authorized employees of the Bank's subsidiaries;
- Executive responsible for counteraction for legitimization (laundering) of the proceeds of crime and the financing of terrorism;
- Other departments and employees performing internal control pursuant to the powers determined by the internal documents of the Bank which govern procedure and organization of internal control performance.

5.2.7. Constituting order and powers of the Board of Directors, Bank Directors, Chairman of Board (Deputy Chairman) of the Bank, are defined by this present Articles of Association and Provisions, regulating activity of the Bank administrating authorities.

5.2.8. Chief Accountant (Deputy Chief Accountant) of the Bank is appointed and dismissed by order of the Chairman of Board under the decision of the Board of directors of the Bank.

5.2.9. In order to carry out the internal control the Chief Accountant of the Bank:

- organizes maintenance of accounting records of property, banking, economic and other operations.
- In compliance with accounting law, creates accounting policies concerning RAS and IFRS;
- executes constant follow-up control of the accountant and cash work;
- is in charge of work of correct preparation of documents and timely recording of property receipt, movement and retirement;
- provides efficiency (timeliness) of accounting; supervises issues of taxation;
- provides balance sheets making-out and also combined statements of revenues and expenditures, usage of budget;

- exercises other functions in compliance with internal documents of the Bank.
- supervises the execution of:
- timely presentation of complete and authentic accounting reports;
- correspondence of performed operations to legislation of the Russian Federation, statutory acts of the Bank of Russia;
- movements of property, including capital investments and execution of obligations;
- elimination of weakness and defects, discovered within the follow-up periodic inspections, when necessary organizes reinspection;

Powers of Deputy Chief Accountant of the Bank are determined by internal documents of the Bank.

5.2.10. Powers of Directors (Deputy Directors), Chief Accountants (Deputy Chief Accountants) of the Bank affiliates in the purpose of internal control carrying out are determined by Provisions, concerning affiliates of the Bank, and internal documents of the Bank.

5.2.11. The Bank has established the Internal Control Service that performs the following functions:

- identification of compliance risk, that is, the risk of the Bank incurring losses due to non-compliance with the legislation of the Russian Federation, internal documents of the Bank, and as a result of sanctions and/or other measures imposed by supervisory authorities (hereinafter referred to as regulatory risk);
- recording events related to regulatory risk, determining the likelihood of their occurrence, and quantitatively assessing their potential consequences;
- monitoring of regulatory risk, including the analysis of new banking products and services implemented by the Bank and proposed methods of their implementation to assess the presence of regulatory risk;
- sending, if necessary, recommendations on regulatory risk management to the heads of the Bank's structural subdivisions and the executive body determined by the Bank's internal documents;
- coordination and participation in the development of a set of measures aimed at reducing the level of regulatory risk within the Bank;
- monitoring the efficiency of regulatory risk management;
- participating in the development of internal documents related to regulatory risk management;
- informing the Bank's employees about the issues related to regulatory risk management;
- identifying conflicts of interest in the Bank's activities and its employees, participating in the development of internal documents aimed at minimizing such conflicts;
- analyzing the patterns of customer complaints (inquiries and statements) as well as analyzing the Bank's compliance with customer rights.
- analyzing the economic feasibility of the Bank's entering into agreements with legal entities and sole proprietors for the provision of services and/or performance of works that facilitate the Bank's banking operations (outsourcing);
- participating in the development of internal documents aimed at combating commercial bribery and corruption;
- participating in the development of internal documents and in holding events aimed at compliance with the corporate conduct rules and professional ethics standards;
- participating, within its competence, in the interaction of the Bank with supervisory authorities, self-regulatory organizations, associations and financial market participants. The Internal Control Service is entitled to perform other functions related to regulatory risk management, as provided for by the Bank's internal documents.

5.2.12. The Bank's internal control service is established in order to carry out internal control and assist the Bank administrating bodies in the Bank's effective work maintenance.

The internal control service operates based on the Bank's Articles of Association and the Regulations on the Internal Control Service approved by the Chairperson of the Bank's Board. The objectives, functions (rights and obligations) of the internal control service, the status of the internal control service within the Bank's organizational structure, the methods of the service's activities, the supervision and accountability of the head of the internal control service, as well as the allocation of responsibilities among employees carrying out the functions of the internal control service within the Bank's structural units are determined by the Regulations on the Internal Control Service.

The Head of the Bank's internal control service is appointed and dismissed from the position by the order of the Chairperson of the Bank's Board, is accountable to the Chairperson of the Bank's Board, and must meet the requirements established by the Ordinance of the Bank of Russia as of 25 December 2017 No. 4662-

U, as well as the requirements specified in Article 16, first part, paragraph 1, of the Federal Law "On Banks and Banking Activities" as regards business reputation.

The Head of the internal control service may be a member of the Bank's Board. If the Head of the internal control service is not a member of the Bank's Board, he/she is accountable to the Chairperson of the Bank's Board (or their deputy, who is a member of the Bank's Board but does not participate in making decisions related to the Bank's banking operations and other transactions), unless otherwise provided by federal laws.

The Head of the internal control service does not participate in conducting banking operations and other transactions.

The numerical composition, structure, and material and technical support of the internal control service are determined by the bodies responsible for managing the Bank's activities within their competence, taking into account the nature and scale of the conducted operations and the level of regulatory risk assumed by the Bank.

5.2.13. Department of Financial Monitoring governed by the responsible employee is established to ensure smooth functioning of the system of anti-money laundering and combating the financing of terrorism and financing the proliferation of weapons of mass destruction (hereinafter referred to as AML/CFT/FPWMD), coordination of the Bank's units' activities, control over compliance with the Internal Control Rules for the purposes of AML/CFT/FPWMD, as well as ensuring the timely submission of information on transactions subject to mandatory control and suspicious transactions to the Competent Authority.

5.2.13.1. Department of Financial Monitoring is established according to the organizational chart of the Bank and functions on the basis of the Regulations on the Department of Financial Monitoring approved by the Chairperson of the Managing Board. Objectives, tasks, rights, obligations, and powers of the responsible employee and employees of the Department of Financial Monitoring shall be determined according to the Regulations on the Department of Financial Monitoring and job descriptions of employees.

5.2.13.2. The employee responsible for anti-money laundering, combating the financing of terrorism and financing of proliferation of weapons of mass destruction shall be appointed and dismissed by order of the Chairperson of the Managing Board. This employee shall be responsible for drafting and implementing the Internal control rules for the purposes of AML/CFT/FPWMD, other organizational measures for these purposes, as well as for arranging the submission of information to the Authorized authority, as provided for by the Federal Law "On anti-money laundering and combating the financing of terrorism" and regulations of the Bank of Russia.

5.2.13.3. The responsible employee of the Bank act on the basis of the Articles of Association, Internal control rules, and is independent in his/her activity on other structural subdivisions of the Bank and is subordinate only to the Chairperson of the Managing Board.

5.2.13.4. An authorized employee shall be appointed in the Bank's subsidiaries. This employee shall be responsible for arranging and implementing measures aimed at anti-money laundering and combating the financing of terrorism and financing of proliferation of weapons of mass destruction in the given subsidiary.

5.2.13.5. Employees authorized to implement measures in the sphere of AML/CFT/FPWMD taken pursuant to the Internal control rules for the purposes of AML/CFT/FPWMD shall be subordinate to the responsible employee of the Bank.

5.2.13.6. Main tasks of the AML/CFT/FPWMD system include securing:

- the Bank's compliance with the requirements of the legislation of the Russian Federation, regulations of the Bank of Russia and of other authorized authorities which govern the sphere of AML/CFT/FPWMD;

- development of the Internal control rules for the purposes of AML/CFT/FPWMD, instructions, recommendations in this sphere and their implementation;

- involvement of other employees of all departments into AML/CFT/FPWMD activities, irrespective of the position of such employees within their competence and according to their professional duties as regards the implementation of the programs provided for in the Internal control rules for the purposes of AML/CFT/FPWMD;

- support of the Bank's goodwill by means of reducing as much as possible the risk of conducting operation aimed at money laundering and financing of terrorism, or financing of proliferation of weapons of mass destruction.

5.2.14. Inspector of the stock market professional participant appointed and dismissed by order of the Chairman of Board and carry out examination of actions conformity of the Bank, as a stock market professional participant, to the requirements of legislation of the Russian Federation concerning securities and protection of rights and legal interests of investors at the stock market, legal acts of the federal executive body for the stock market. The individual appointed to the position of a controller must meet the qualification requirements established by the legislation of the Russian Federation on securities. The controller is appointed by the order of the Chairperson of the Bank's Board.

Rights and obligations of an Inspector of a professional participant in the securities market, a procedure of actions in case there are any violations revealed, an order and terms of complaints, submissions and appeals review, a form and terms of provision of report documentation by the inspector and other provisions regulating the implementation of the internal control over activities of a professional participant in the securities market, are stated in the Instructions on the Internal Control Process of the Bank as a Professional Participant in the Securities Market.

In accordance with clause 4.4., paragraph 4.4.19., point (24), of these Articles of Association, the decision to approve the Instruction on internal control of professional activities in the securities market in the Bank is taken by the Chairperson of the Board of the Bank.

The procedure for appointing a controller of a professional securities market participant is determined by the Instruction on internal control of professional activities in the securities market in the Bank in accordance with the Order of the Federal Financial Markets Service as of 24 May 2012 No. 12-32/pz-n "On approval of Regulation on Internal Controls of Professional Securities Market Participants".

Heads of other subdivisions of the Bank shall organize internal control in the subdivisions of the Bank, establish procedures of its performance which determine, inter alia, peculiarities of internal control pursuant to the regulations of the Bank.

5.2.15. The main goal of the internal audit service is to timely provide the Board of Directors of the Bank and the Board of the Bank with independent and objective information about the reliability and effectiveness of the risk management and internal control system in the Bank, as well as to develop recommendations aimed at improving their effectiveness.

5.2.16. The Regulations on the Internal Audit Service determine the goals and scope of the Internal Audit Service's activities; the principles (standards) and methods of operation of the Internal Audit Service, the status of the Internal Audit Service in the organizational structure of the Bank; its tasks, powers, rights and obligations, as well as relationships with other divisions of the Bank, including those performing control functions; subordination and accountability of the head of the Internal Audit Service; the obligation of the head of the Internal Audit Service to inform the Board of Directors of the Bank, the Chairperson of the Bank's Board, the Bank's Board, and the head of the structural subdivision of the Bank in which the inspection was carried out about violations (deficiencies) detected during such inspections concerning matters determined by the Bank; the obligation of the head of the Internal Audit Service to inform the Board of Directors of the Bank, the Chairperson of the Board of the Bank, and the Board of the Bank about all cases that prevent the Internal Audit Service from performing its functions; the duty of employees of the Internal Audit Service to inform the head of the Internal Audit Service about all cases that prevent the Internal Audit Service from performing its functions.

The Regulations on the Internal Audit Service shall be approved by the Board of Directors of the Bank in accordance with the Regulations "On the Organization of Internal Control in Credit Institutions and Banking Groups" (approved by the Bank of Russia on 16 December 2003 No. 242-P).

The Bank is obliged to ensure the continuity of activities, independence and impartiality of the Internal Audit Service, the professional competence of its head and employees, and create conditions for the smooth and effective performance by the Internal Audit Service of its functions.

The Internal Audit Service is subject to independent audit by an audit organization or by the Board of Directors of the Bank.

The head of the Internal Audit Service is approved by the Board of Directors of the Bank and must comply with the requirements established by Ordinance of the Bank of Russia as of 25 December 2017 No. 4662-U and with the requirements regarding business reputation established in Article 16, first part, paragraph 1, of the Federal Law "On Banks and Banking Activity".

The Internal Audit Service is obliged to submit information on the measures taken to implement recommendations and to eliminate the identified violations to the Board of Directors of the Bank at least once

every six months. A copy of the said information shall be sent to the Chairperson of the Bank's Board and to the Bank's Board.

5.2.17. The Bank has established the Risk Management Department, which performs the following functions:

- reveals the risks inherent to the Bank's activities;
- identifies potential risks that the Bank may be exposed to;
- identifies risks significant for the Bank;
- assesses risks significant for the Bank;
- aggregates quantitative assessments of risks significant for the Bank to determine the total risk exposure accepted by the Bank;
- exercises control over the levels of risks significant for the Bank;
- ensures compliance with the mandatory regulatory values and the size of the Bank's open currency position as established by the Bank of Russia, as well as centralized control over the total (aggregated) risk exposure accepted by the Bank.

5.2.18. The Risk Management Department shall perform its functions within the Bank on a continuous basis. Units of the Risk Management Department shall not engage in functions related to risk-taking. This requirement also applies to the Head of the Risk Management Department.

5.2.19. The Head and employees of the Risk Management Department must be on the Bank's staff and are appointed to their positions by an order of the Chairperson of the Bank's Board. When appointed to the position of the Head of the Risk Management Department of the Bank and throughout the entire period of performing his/her duties, including temporary (over two months) performance of duties, a person must meet the requirements to business reputation and qualification requirements listed in the Ordinance of the Bank of Russia as of 25 December 2017 No. 4662-U.

The Bank, within three days from the date of making the relevant decision on the appointment of a person to the position of the Head of the Risk Management Department of the Bank, sends a respective notification to the Bank of Russia.

The Head of the Risk Management Department coordinates and controls the work of all units (employees) performing risk management functions, as well as special working bodies (committees) responsible for risk management, if any.

If a person is dismissed from the position of the Head of the Risk Management Department, the Bank sends a notification to this effect to a structural unit of the Bank of Russia no later than the business day following the day the relevant decision is made.

### **Article 5.3. The Bank reliability assurance**

5.3.1. In order to assure its financial reliability, the Bank shall create reserves (emergency funds), including funds on guarantee of securities, which procedure of creation and usage is established by the Bank of Russia. Lower limits of reserves (emergency funds) are fixed by the Bank of Russia. Amount of pretax profit allocations to reserves (emergency funds) is fixed by the current legislation of the Russian Federation.

5.3.2. The Bank shall implement assets' classification, giving accent to doubtful and bad debts and create reserves (emergency funds) to compensate prospective losses in order, established by the Bank of Russia.

5.3.3. The Bank shall observe statutory requirements, established in accordance with the Federal Law "Concerning the Central Bank of the Russian Federation (Bank of Russia)". Values of statutory requirements are fixed by the Bank of Russia in accordance with current legislation of the Russian Federation.

5.3.4. In order to ensure financial stability, the Bank forms a reserve fund, which is formed by mandatory annual contributions until it reaches the amount of not less than 2.5% (two and five-tenths percent) of the Bank's authorized capital. The usage of the Bank's reserve capital is regulated by the current legislation of the Russian Federation, regulations of the Bank of Russia, this Articles of Association, as well as local regulations of the Bank.

## **CHAPTER 6. FINAL PROVISIONS**

### **Article 6.1. Amendment of the Articles of Association**

6.1.1. All amendments of the Articles of Association are introduced by decision of the Bank participants' general meeting.

6.1.2. All amendments of the Bank Articles of Association are subject to the state registration in order, provided by current legislation of the Russian Federation.

6.1.3. Amendments, introduced in the Bank Articles of Association become legally effective for third parties from the moment of the state registration.

## **Article 6.2. The Bank documentation storing**

6.2.1. In order to implement the state social, economic and tax policy the Bank shall provide registration, safety, appropriate order arrangement, storing and application (issue of references and certificates under request of legal entities and individual persons) of documents concerning the Bank's staff, as well as other documents stipulated by the Federal Law as of 8 February 1998 No. 14-FZ "On Limited Liability Companies". In order provided by the current legislation of the Russian Federation, documents concerning the Bank's staff shall be transferred for the state storage.

The list of documents and terms of storage shall be determined in compliance with the list, defined in the legal acts.

6.2.2. Destruction (shredding) of documents is allowed only after the expert examination of value, termination of normative storing terms, and under the properly drawn up and approved legal acts.

6.2.3. The Bank shall store the documentation in order provided by the current legislation of the Russian Federation.

6.2.4. The Bank shall provide access to the available judicial acts on a dispute related to the Bank's establishment, its management or its membership, including commencement of proceedings and acceptance of notice of claim or notice of changes in the ground or previous claim subject, issued by arbitration court.

6.2.5. At the demand of its participant the Bank shall provide to him access to the documents, stated in provisions 6.2.1 and 6.2.4 of § 6.2 of the present Articles of Association. During three days upon such demand from the Bank's member the stated documents shall be provided for examination in the premises of the Chairman of the Board of the Bank. At a participant's request the Bank shall provide copies of the documents to him. A fee charged by the Bank for provision of such copies cannot exceed the costs of copying process.

## **Article 6.3. Financial accounting and reporting of the Bank**

6.3.1. The Bank accounting is carried out in accordance with regulations, established by the Central Bank of the Russian Federation.

6.3.2. The Bank shall present financial and other reporting in order, provided by legislation of the Russian Federation.

6.3.3. The Bank shall present to the state authorities all information, necessary for the assessed taxation and maintenance of national system of collecting and processing of economic information.

6.3.4. Results of the Bank's activity are reported in the month, quarter and annual balance sheets, statement of profit and loss and also in annual report, presented to the Central Bank of the Russian Federation in established amount, order and terms.

6.3.5. The Bank's annual report and accounts, including the statement of financial results after the inspection and examination of audit organization shall be approved by the ordinary General meeting of the participants and shall be disclosed according to the current legislation.

The Bank also shall disclose other information, determined by the legislation of the Russian Federation.

The Chairman of Board shall be responsible for the accounting procedure and observance of legislation by exercising banking operations in the Bank.

6.3.6. The Chief Accountant of the Bank is responsible for the accounting policy, accounting records maintenance, timely presentation of complete and reliable accounting reports. 6.3.6. Reliability of data, stated in the annual report of the Bank, annual accounting reports shall be confirmed by the inspection commission of the Bank. Before the mentioned documents publication, the Bank shall recruit an audit organization for the annual inspection and approval of annual financial reporting.



## **Article 6.4. Bank secrecy**

6.4.1. The Bank guarantees the secrecy for information about transactions, accounts deposits of its customers and correspondents. All employees of the Bank shall keep secret the information about transactions, accounts deposits of its customers and correspondents, and other information, stated by the Bank, unless it violates the law of the Russian Federation.

6.4.2. Statements on transactions and accounts of legal entities and individuals, performing business activities without forming a legal entity, notes on accounts and deposits in case of the holder's death, are issued to third parties in cases, order and volume, prescribed by the law of the Russian Federation.

6.4.3. Information on transactions and accounts of legal entities and individuals, performing business activities without forming a legal entity, and of individuals, is given by the Bank to authorised bodies, implementing measures on suppression of laundering of income received by illegal means, in cases, order and volume, prescribed by the Federal Law "Concerning the Counteraction of the Legitimization (Laundering) of the Proceeds of Crime and the Financing of Terrorism".

## **Article 6.5. Customers' interests guarantee**

6.5.1. The Bank guarantees safety of monetary funds and other values, with which it was entrusted by the customers and correspondents. This safety is guaranteed by all movable and immovable property of the Bank, its money funds and reserves, formed in compliance with current legislation of the Russian Federation and present Article of Association, and also by measures of the Bank financial stability and liquidity maintenance taken by the Bank in order, established by the Central Bank of the Russian Federation.

6.5.2. The Bank shall be permanently ready to fulfill its obligations completely and in proper time by means of its balance structure regulation in accordance with obligatory rules, established by the Bank of Russia and provided by current legislation of the Russian Federation for credit companies.

6.5.3. The Bank shall deposit a part of attracted monetary funds into legal reserves in the Central Bank of the Russian Federation in amount and order, established by the Central Bank, and also form insurance funds and reserves in compliance with current legislation of the Russian Federation, state and municipal normative legal acts, statutory acts of the Bank of Russia, and also this present Articles of Association and internal documents of the Bank.

6.5.4. Monetary funds and other values of legal entities and individual persons, which are on accounts, in investments or on deposit of the Bank, as well as the balance of digital cash can be arrested or an execution can be levied upon only in cases and order, provided by the federal law.

6.5.5. All employees of the Bank shall undertake to keep commercial secret of the Bank. All members of the Bank's staff shall keep secrecy of operations, accounts and deposits of customers and correspondents of the Bank and also the commercial secret of the Bank. The list of information, forming the commercial secret of the Bank, is defined by the Board of Directors considering current legislation of the Russia Federation.

6.5.6. The Bank shall issue references as regards operations and accounts of legal entities and sole proprietors, individuals conducting entrepreneurial activity without establishing a legal person, as well as references as regards operations and accounts of natural persons pursuant to the legislation of the Russian Federation.

The Bank shall submit the documents and information regarding currency operations, opening and managing accounts which are provided for in the Federal law "On Currency Regulation and Currency Control" to the currency control authority authorized by the Government of the Russian Federation, tax authorities and customs authorities as currency control agents in such cases, to such extent and according to such procedure, as established by the mentioned Federal law.

The Bank shall submit the documents and information subject to bank secrecy of legal entities and individuals conducting entrepreneurial activity without establishing a legal person to the customs authorities of the Russian Federation in such cases, to such extent and according to such procedure, as established by the Customs Code of the Customs Union and the Federal law of 27 November 2010 No 311-FZ "On Customs Regulation in the Russian Federation".

The Bank provides electronic information about opening and closing of accounts and deposits, about changes in the details of accounts and deposits of organizations, individuals conducting entrepreneurial activity without establishing a legal person, natural persons, about granting to organizations and individuals con-

ducting entrepreneurial activity without establishing a legal person the right to use corporate electronic payment facilities for electronic money transfer or about the revocation of such right, about changes in the details of corporate electronic payment facilities to the tax authorities according to the procedure established by the tax and fees legislation of the Russian Federation.

The Bank provides information about the accounts and deposits and (or) account and deposit balances, about account and deposit transactions of organizations, individuals conducting entrepreneurial activity without establishing a legal person, natural persons to the tax authorities according to the procedure established by the tax and fees legislation of the Russian Federation.

6.5.7. References of accounts and deposits in the event of death of their holders are issued by the Bank to the persons mentioned by the holder of account or deposit in testamentary prescription, presented to the Bank, notary public offices on the pending probate cases concerning deposits of the decedent depositors, and as regards of account of foreign citizens – to foreign consular posts.

6.5.8. For the disclosure of bank secrecy the Bank itself and its officials and employees bear responsibility, including compensation of actual damage in order, established by legislation of the Russian Federation. The information created, obtained and collected under the Bank's activity, and other information located in the Bank on paper, magnetic and other types of media and delivered by the Board of Directors to the commercial secret cannot be sold, transmitted, copied, duplicated, exchanged or otherwise distributed or replicated in any form without consent of the Board of Directors or officials of the Bank, authorized by the Board of Directors.

The order of work with information, delivered to the commercial secret of the Bank and responsibility for violation of the mentioned working order in determined by the Board of Directors.

6.5.9. Information on operations of legal entities and persons, exercising business without forming a legal entity and individual persons by their consent, for the purpose of drawing up the credit history is presented by the Bank to the credit bureau in order and on the terms, determined in contract concluded in the credit bureau in accordance with the Federal law "On Credit Histories".

## **Article 6.6. Reorganization and dissolution of the Bank**

6.6.1. The Bank can be free reorganized in order, provided by current legislation of the Russian Federation.

Other grounds and orders of the Bank reorganization are determined by Civil Code of the Russian Federation and other federal law.

6.6.2. The Bank reorganization may be carried out in the form of merger, joining, separation, division and reform. The Bank reorganization shall involve transfer of rights and liabilities to the Bank assignees.

6.6.3. The Bank shall be considered as reorganized, with the exception of reorganization in the form of joining, from the moment of state registration of legal entities, founded as the result of this reorganization.

By reorganization in the form of joining of other credit company to the Bank, the latter is considered as reorganized from the moment, when the record of the joined credit company business termination is entered into the Unified State Register of Legal Entities.

6.6.4 The Bank shall send a written notification about commencement of the reorganization procedure together with the resolution about reorganization to the Bank of Russia within three working days after the said resolution has been passed. If two or more Banks are involved in the reorganization, such notification shall be sent by the Bank which has last adopted the resolution about reorganization or as specified in the said resolution. The Bank of Russia shall publish this notification at its official website in the information and telecommunication network Internet and no later than one working day upon receipt of such notification from the Bank shall send the information about commencement of the reorganization procedure of the Bank (Banks) together with the said resolution to the authorized registration authority. Based on the said resolution, the registration authority shall make an entry to the Unified State Register of Legal Entities that the Bank (Banks) is (are) in the process of reorganization.

State registration of a credit institution established by means of reorganization shall be made within six months upon submission of all duly executed documents to the Bank of Russia, unless the decision to refuse in the registration is made.

No later than 30 days after the resolution about the Bank's reorganization is passed, the Bank shall publish this information at its official website in the information and telecommunication network Internet and shall notify its creditors accordingly by one of the following:

1) by sending a written notification to each creditor (by a certified mail) and by publishing the information about the made decision in the print media which publishes information on state registration of legal entities;

2) by publishing the information about the made decision in the print media which publishes information on state registration of legal entities, as well as in one of the print media which publishes laws and regulations of public authorities of the constituent unit of the Russian Federation on the territory of which the Bank's subsidiary(subsidiaries) is (are) situated.

Such notification (information) shall contain the following data:

1) form, procedure and period of reorganization;

2) if the reorganization is in the form of merger and transformation – an expected legal form, an expected location of a credit institution being established as a result of reorganization as well as the list of banking operations which it intends to perform;

3) if the reorganization is in the form of consolidation – a legal form, a location of a credit institution with which another credit institution is consolidated, as well as the list of banking operations which it performs and intends to perform;

4) print media which will publish the information about significant facts (events, actions) which influence financial and economic activities of the credit institution.

The procedure of notifying creditors about the decision on the Bank's reorganization shall be established by the general meeting of members and shall be communicated to the creditors by publishing the relevant information in the places available to the creditors in the Bank and in all its subdivisions. Upon request of the party concerned the Bank shall provide it with the copy of such resolution. The fee charged by the Bank for making such copies shall not exceed the cost thereof.

The state registration of a credit institution being established as a result of reorganization and making an entry to the Unified State Register of Legal Entities regarding the termination of the activities of reorganized credit institutions shall be performed subject to the evidences that the creditors have been duly notified.

A natural person, being a creditor of the Bank, in case of the Bank's reorganization is entitled to demand early performance of the relevant obligation. If early performance of such obligation is not possible, the creditor is entitled to demand termination of this obligation and compensation of damages if such obligation had arisen before:

1) he/she received a written notification (if the way of informing creditors mentioned in the fourth indent of this subparagraph is used);

2) the credit institution published the information about the made decision regarding its reorganization in the print media which publishes information on state registration of legal entities (if the way of informing creditors mentioned in the fifth indent of this subparagraph is used).

A legal person, being a creditor of the Bank, in case of the Bank's reorganization is entitled to demand early performance or termination of the relevant obligation and compensation of damages if such right is granted to the legal person according to the contract with the Bank.

The creditor shall send these claims to the Bank in writing within 30 days after he/she has received the notification, or within 30 days after the Bank has published the information about the made decision regarding its reorganization in the print media which publishes information on state registration of legal entities.

Within the period from making the decision about the Bank's reorganization till the date of its termination the Bank shall disclose the information about significant facts (events, actions) which influence financial and economic activities of the Bank. Such facts (events, actions) include:

1) reorganization of the Bank, of its subsidiaries or affiliated companies;

2) facts which led to single increase or reduction in the asset value of the Bank by more than 10 percent, facts which led to single increase in the net profit or loss of the Bank by more than 10 percent, single transactions of the Bank the amount of which or the value of property under which equals to 10 or more percent of the Bank's assets as of the date of making this transaction;

3) acquisition by any person of at least 5 percent of shares in the authorized capital of the Bank, as well as any changes as a result of which the amount of shares owned by such person becomes more or less than 5, 10, 15, 20, 25, 30, 50 or 75 percent of shares in the authorized capital of the Bank;

4) data about the resolutions of the general meetings of the Bank's members;

5) data about the net profit of the Bank being distributed among its members;

The information about significant facts (events, actions) which influence financial and economic activities of the Bank shall be disclosed by means of publishing in the print media specified in the Bank's notification

about the made decision on the Bank's reorganization. Such publication shall be made within the period not exceeding five days after the mentioned facts (events, actions) have taken place. The Bank shall also publish the information about significant facts (events, actions) at its official website in the information and telecommunication network Internet within the period not exceeding three days after the mentioned facts (events, actions) have taken place.

6.6.5 If it is not possible to define the assignee of the reorganized Bank under the data of separation balance sheet, credit companies, founded as the result of reorganization, should be jointly responsible for the reorganized Bank before its creditors.

6.6.6 Dissolution of the Bank is implemented free under the Bank participants' general meeting decision or under court decision in order, established by current legislation of the Russian Federation.

Dissolution of the Bank entails termination of its activity without passing of rights and liabilities to other parties on the basis of legal succession.

6.6.7 By dissolution (reorganization) of the Bank rights and interests of the dismissed personnel shall be guaranteed in accordance with current legislation of the Russian federation.

6.6.8 The participants' general meeting or body, decided on the Bank dissolution, shall appoint the liquidation commission (liquidator) and determine the order and terms of dissolution as agreed by the Bank of Russia. From the moment of appointment the liquidation commission has all power of the Bank administration. The liquidation commission appears in court on behalf of the dissolved Bank.

6.6.9 The liquidation commission shall make a note of the Bank dissolution and note of order and terms of its creditors' claims in the publication, where the legal entities' state registration data are usually published. The terms of the creditors' claims cannot be less than two months from the date of publication about the Bank's dissolution.

6.6.10 The liquidation commission shall take measures to define creditors and obtain the account receivable, and also inform creditors in writing about the Bank's dissolution.

6.6.11 After the end of terms for creditors' claims the liquidation commission shall make an intermediate liquidation balance sheet containing information about the dissolved Bank property structure, list of creditors' claims and also result of their consideration.

The intermediate liquidation balance sheet is approved by the Bank participants or body, decided on the Bank dissolution as agreed by the Bank of Russia.

6.6.12 If monetary funds of the dissolved Bank are not enough to satisfy the creditors' claims, the liquidation commission should sell the Bank's property at public auction in order, provided for execution of court decisions.

6.6.13 If during the Bank dissolution procedure it becomes clear that the property value of the Bank, concerning which was made a decision on dissolution, is not enough to satisfy the creditors' claims, the Bank's liquidator should present an application of the Bank's nullity (bankruptcy) to arbitrage.

6.6.14 The cash payment to creditors of the dissolved Bank is made by the liquidation commission in order of priority, established by Civil Code of the Russian Federation, in accordance with the intermediate liquidation balance sheet beginning from the date of its approval.

6.6.15 After payment to creditors the liquidation commission shall make the liquidation balance sheet, which is approved by the Bank participants or body, decided on the Bank dissolution, as agreed by the Bank of Russia.

6.6.16 Property of the dissolved Bank remained after payment to creditors shall be distributed by the liquidation commission between the Bank's participants as follows:

- primary, the Bank participants shall be paid the distributed, but not paid out part of profit;
- secondarily, the property of the dissolved Bank is distributed between its participants pro rata their shares in the authorized capital.

Claims of each rank shall be satisfied after a full settlement of claims of the previous one.

6.6.17 If the Bank do not possess enough property to pay the distributed, but not paid out part of profit, the Bank property should be distributed between its participants pro rata their shares in the authorized capital.

6.6.18 The Bank's dissolution process is considered to be perfect and the Bank business – terminated, when the appropriate record is entered into the Unified State Register of Legal Entities by the authorized registering body.

6.6.19 All documents related to the activities of the Bank, in particular, to the interests of its employees, shall be transferred for the state storage according to the procedure prescribed by the legislation of the Russian Fed-

eration in the event of reorganization or liquidation of the Bank.

**Acting Chairperson of Board  
of the Bank Orange (LLC).** /signature/

**A.O. Borisovets**

Stamp:

*Limited liability company "Orange" \* St. Petersburg*

There are bound, numbered and sealed 45 (forty five) sheets.

Acting Chairperson of Board  
of the Bank Orange (LLC)

/signature/ A.O. Borisovets

27.03.2019

Stamp:

*Limited liability company "Orange" \* St. Petersburg*

----- Конец перевода документа -----  
----- End of the translated document -----

*I, the undersigned certified translator Irina Artamonova, fluent in both Russian and English languages, confirm that the above is a true, accurate and complete translation of the attached document.*

*Я, дипломированный переводчик, Артамонова Ирина Владимировна, владеющая русским и английским языками, подтверждаю, что выполненный мною перевод приложенного документа является правильным, точным и полным.*

