

Credit institution  
is registered in the  
Unified State Register of Legal Entities  
on 15 October 2002,  
main state registration number  
1021800001508

AGREED  
by Deputy Chairman of  
the National Bank of  
the Udmurt Republic of  
the Central Bank of the  
Russian Federation  
*Signature / L.Yu. Akchurina*  
20 August 2013

Seal:  
The Central Bank of the Russian Federation  
(Bank of Russia)  
the National Bank of the Udmurt Republic  
OGRN 1037700013020  
INN 7702235133

## CHARTER

### Joint-stock Company “BystroBank”

#### JSC “BystroBank”

Federal Tax Service Department of Russia  
for the Udmurt Republic  
(name of the registration authority)  
in the Unified State Register  
the entry was made on 29 August 2013  
OGRN 1021800001508  
GRN 2131800012199

A copy of the document is kept  
in the registration authority

Deputy Director  
(authorized person position)

V.G. Kuznetsova  
(initials, surname)

*Signature*

Seal:

Federal Tax Service of Russia  
Federal Tax Service Department of Russia  
for the Udmurt Republic

APPROVED  
by the General meeting of shareholders  
minutes № 27 of 02 July 2013

Izhevsk  
2013

## Article 1. GENERAL PROVISIONS

1.1. Joint-stock Company “BystroBank”, further referred to as the “Bank”, is a credit institution.

The Bank was established by the resolution of the General meeting of shareholders of 21 February 1992 (minutes № 2) under the name of Joint-stock private bank “IzhLadabank”.

In accordance with the resolution of the General meeting of shareholders of 21 April 1992 (minutes № 3) the name of the Bank was changed into Izhevsk joint-stock bank “IZHLADABANK”.

In accordance with the resolution of the General meeting of shareholders of 4 March 1994 (minutes № 1) the name of the Bank was changed to Investment Lending Bank “IzhLadabank” (Open Joint-stock Company).

In accordance with the resolution of the General meeting of shareholders of 1 March 1996 (minutes № 2) the name of the Bank was changed to Investment Lending Bank “IzhLadabank” (Open Joint-stock Company) (“IzhLadabank”).

In accordance with the resolution of the General meeting of shareholders of 10 September 2002 (minutes № 14) the name of the Bank was changed to Investment Lending Bank “IzhLadabank” (Open Joint-stock Company) (OJSC “IzhLadabank”).

In accordance with the resolution of the General meeting of shareholders of 4 June 2004 (minutes № 17) the name of the Bank was changed to Investment Lending Bank “IzhLadabank” (Open Joint-stock Company) OJSC “IzhLadabank”.

In accordance with the resolution of the extraordinary General meeting of shareholders of 29 February 2008 (minutes № 21 of 4 March 2008) the name of the Bank was changed into Joint-stock Company “BystroBank” JSC “BystroBank”.

1.2. Full name of the Bank:

- in the Russian language: Открытое акционерное общество “БыстроБанк”;
- in the English language: Joint-stock Company “BystroBank”.

1.3. Short name of the Bank:

- in the Russian language: ОАО “БыстроБанк”.
- in the English language: JSC “BystroBank”.

1.4. The Bank shall have the exclusive right to use its name.

1.5. Location of the Bank: 268, Pushkinskaya Street, Izhevsk, Russia, 426008

1.6. The Bank shall have a round seal with its full name in the Russian language and location on it. The seal may also designate the name of the Bank in a foreign language. The Bank may have stamps and letterheads with its name, company logo, as well as duly registered trade mark and other means of visual identification.

1.7. The Bank is a legal entity established under the laws of the Russian Federation. The Bank may own distinctive property as included in its balance sheet. On its own name the Bank may purchase and exercise property and personal non-property rights, bear responsibilities, act as a claimant and defendant in court.

1.8. The Bank is a part of the Russian Federation banking system. In its activities the Bank observes the legislation of the Russian Federation, regulatory acts of the Central Bank of Russia and the present Charter.

1.9. The Bank shall be established for an unlimited period of time and operate its business on the basis of the license issued by the Central Bank of the Russian Federation.

1.10. Shareholders of the Bank may be legal entities and private customers, including foreign legal entities and private customers, whose contribution to its share capital is not prohibited by the legislation of the Russian Federation.

1.11. The Bank shall be liable for its obligations to the extent of all its property, on which the law may impose a court-enforced collection.

The Bank shall not be liable for the obligations of its shareholders. Shareholders of the Bank shall not be liable for the Bank’s obligations and shall bear risks of losses, related to the activities of the Bank, within the value of their shares.

The Bank shall not be liable for the obligations of the state or its bodies, as well as the state shall not be liable for the obligations of the Bank.

1.12. Legislative and executive state bodies and local government bodies shall have no right to interfere in the Bank's activities, except for the cases stipulated by the existing legislation.

1.13. On its own or jointly with other legal entities and private customers, the Bank may acquire stakes in other profit-making and non-profit organizations in the Russian Federation and abroad in accordance with the legislation of the Russian Federation and of a relevant foreign country.

## **Article 2. BRANCHES, REPRESENTATIVE OFFICES AND INTERNAL STRUCTURAL UNITS OF THE BANK**

2.1. The Bank may establish branches, representative offices and internal structural units in accordance with the established procedure.

2.2. Branch of the Bank is a separate unit located in a place other than the location of the Bank that conducts all or selected banking operations on behalf of the Bank in accordance with the license issued by the Central Bank of Russia to the Bank.

2.3. Representative office of the Bank is a separate unit located in a place other than the location of the Bank that represents and protects the Bank's interests. Representative office of the Bank has no right to conduct any banking operations.

2.4. Branches and representative offices of the Bank shall not be deemed as legal entities and shall act on the basis of regulations approved by the Board of Directors.

The heads of branches and representative offices shall be appointed by the President of the Bank and act under the power of attorney issued in accordance to the established procedure.

2.5. Internal structural unit of the Bank (of its branch) is a unit located in a place other than the location of the Bank (or its branch) that conducts on behalf of the Bank banking operations listed in the regulatory acts of the Central Bank of Russia in accordance with the license issued by the Central Bank of Russia to the Bank (regulations for the branch of the Bank).

2.6. The Bank (its branches) are entitled to establish internal structural units located in places other than the location of the Bank (its branches) in the forms and according to the procedure stipulated by the regulatory acts of the Central Bank of Russia.

2.7. The Bank shall have a branch:

- Moscow branch of JSC "BystroBank", location: bld. 32A, nab. Taras Shevchenko, Moscow, 121151

## **Article 3. BANKING OPERATIONS AND OTHER TRANSACTIONS OF THE BANK**

3.1. Having relevant licenses, the Bank is entitled to conduct the following banking operations:

- to take deposits from private customers and legal entities (demand deposits and term deposits);

- to invest funds, designated in the previous paragraph of this clause, on its behalf and at its own expense;

- to open and manage bank accounts of private customers and legal entities;

- to effect payments by the order of private customers and legal entities, including correspondent banks, from and to their bank accounts;

- to collect cash, bills of exchange, payment and settlement documents and provide cash services to private customers and legal entities;

- to buy and sell foreign currency in cash and by bank transfers;

- to take precious metals deposits and invest them;

- to issue bank guarantees;

- to transfer funds without opening bank accounts, including electronic money (excluding postal transfers).

Besides the banking operations listed above, the Bank is entitled to conduct the following transactions:

- to issue guarantees in favor of the third parties that require fulfillment of obligations in money terms;
- to acquire the right to claim for fulfillment of obligations in money terms from the third parties;
- to conduct fiduciary management of funds and other property under the agreement with private customers and legal entities;
- to carry out operations with precious metals and stones in accordance with the legislation of the Russian Federation and upon availability of relevant licenses;
- to lease special premises or safes located in such premises to private customers or legal entities for storing documents or valuables;
- to conduct leasing operations;
- to provide consulting and information services.

The Bank shall have the right to conduct other transactions in accordance with the legislation of the Russian Federation.

All banking operations and other transactions shall be effected in Russian roubles, or, if there is a relevant license issued by the Central Bank of Russia, - in foreign currencies. The regulations related to the banking operations, including material and technical support of such operations, are established by the Central Bank of Russia in accordance with the Federal Laws.

The Bank is not entitled to carry out production, trade or insurance activities.

3.2. In accordance with the license on banking operations issued by the Central Bank of Russia, the Bank shall have the right to issue, purchase, sell, account for, store and conduct other transactions with securities that function as payment documents, with securities that confirm the receipt of funds in deposits and bank accounts, and with other securities, transactions with which do not require a special license according to the federal legislation. The Bank shall also have the right to provide fiduciary management of the specified securities under relevant agreement with private customers and legal entities.

3.3. The Bank shall have the right to perform professional activities at the securities market in accordance with the Federal Laws.

#### **Article 4. SHARE CAPITAL OF THE BANK. SHARES, BONDS AND OTHER ISSUED SECURITIES OF THE BANK**

4.1. The share capital of the Bank shall amount to 397,121,982 (Three hundred ninety-seven million one hundred twenty-two thousand nine hundred eighty-two) roubles and shall be divided into 396,672,547 (Three hundred ninety-six million six hundred seventy-two thousand five hundred forty-seven) ordinary shares with a par value of 1 (One) rouble each and 449,435 (Four hundred forty-nine thousand four hundred thirty-five) preferred shares with fixed dividend (not less than 20% per year of the par value of the preferred shares) with a par value of 1 (One) rouble each (outstanding shares).

The share capital of the Bank is comprised of the par values of the Bank's shares purchased by the shareholders. The share capital of the Bank determines the minimum value of the Bank's property that guarantees the interests of its creditors.

4.2. The Bank shall have the right to additionally place 200,000,000 (Two hundred million) ordinary shares with a par value of 1 (One) rouble each (authorized shares).

4.3. All the shares of the Bank shall be registered shares. The shares of the Bank shall be issued in non-documentary form. The holder of the shares shall be determined by the entries made in the register of holders of the Bank's securities.

4.4. The share capital of the Bank may be increased by increasing par value of its shares or by placing additional shares.

The decision to increase the share capital of the Bank by increasing par value of its shares shall be made by the General meeting of shareholders.

The decision to increase the share capital of the Bank by placing additional shares shall be made by the Board of Directors, except for the cases, when such a decision may be made only by the General meeting of shareholders in accordance with the existing legislation of the Russian Federation.

4.5. Additional shares may be placed by the Bank only within the quantity of authorized shares specified by this Charter.

The decision to increase the share capital by placing additional shares may be made by the General meeting of shareholders of the Bank simultaneously with the decision to supplement this Charter with clauses on authorized shares which are necessary to make such decision or with the decision to amend such clauses on authorized shares.

4.6. Increase of the Bank's share capital by placing additional shares may be carried out at the expense of the Bank's property. Increase of the Bank's share capital by increasing par value of its shares shall be conducted at the expense of the Bank's property only.

4.7. The Bank is entitled, whereas in cases stipulated by the law is obliged to, decrease its share capital.

4.8. The share capital of the Bank may be decreased by reducing par value of its shares or their total number, including by acquiring a part of the shares.

4.9. The Bank shall have no right to decrease its share capital, if such decrease results in the value of its share capital falling below the minimum share capital established by the legislation of the Russian Federation as of the date, when relevant amendments to the Charter are submitted for the state registration, and in the event, when the legislation of the Russian Federation requires the Bank to decrease its share capital – as of the date of the state registration of the Bank.

4.10. The Bank shall have the right to issue bonds and other equity securities in accordance with the legislation of the Russian Federation related to securities.

The Bank shall have the right to issue bonds convertible into shares, and other equity securities convertible into shares.

4.11. Bonds and other equity securities, including bonds convertible into shares as well as other equity securities convertible into shares, shall be placed under the decision of the Board of Directors of the Bank, except for the cases, when placing equity securities convertible into shares is permitted only under the decision of the General meeting of shareholders according to the legislation of the Russian Federation.

4.12. The Bank is entitled to place additional shares and other equity securities by means of subscription and conversion. If the share capital is increased at the expense of the Bank's property, the Bank shall distribute additional shares among its shareholders.

4.13. The Bank is entitled to place shares and equity securities convertible into shares by public or private offering.

4.14. The method of payment for additional shares shall be determined by the decision on their placement. Payment for other equity securities may be effected with cash only.

4.15. The Bank is entitled to acquire its outstanding shares, if the General meeting of shareholders decides to decrease the share capital by repurchasing a part of the outstanding shares in order to reduce their total number. In this case such shares shall be redeemed upon their repurchase.

4.16. The Bank is entitled to acquire its outstanding shares upon the decision of the Board of Directors. Such shares shall not vote, shall not be taken into consideration when counting votes, and shall not yield dividends. Such shares shall be sold at least at their market value within one year since their acquisition. Otherwise, the General meeting of shareholders shall decide to decrease the share capital by redeeming such shares.

4.17. The Bank is obliged to repurchase its outstanding shares in the cases and according to the procedure stipulated by the legislation of the Russian Federation. The shares repurchased by the Bank shall be at its disposal. Such shares shall not vote, shall not be taken into consideration when counting votes, and shall not yield dividends. Such shares shall be sold at least at their market value within one year since their repurchase by the Bank; otherwise, the General meeting of shareholders shall decide to decrease the share capital by redeeming such shares.

4.18. Upon the decision of the General meeting of shareholders, the Bank is entitled to consolidate or split its outstanding shares. In this case the Charter of the Bank shall be relevantly amended in relation to par value and number of outstanding and authorized shares of the Bank.

4.19. The Bank shall establish provision in the amount of 5% of its share capital in accordance with the requirements of the legislation. The provision of the Bank shall be formed by obligatory annual allocation of at least 5% of the Bank's net profit, until it reaches the value established by this Charter.

4.20. The Bank shall have the right to establish other funds in accordance with the existing legislation of the Russian Federation and regulatory acts of the Central Bank of Russia.

## **Article 5. RIGHTS AND OBLIGATIONS OF THE BANK'S SHAREHOLDERS**

5.1. Each ordinary share provides its shareholder - its owner - with the same volume of rights.

Shareholders – owners of ordinary shares - shall have the following rights:

- in accordance with the existing legislation of the Russian Federation and this Charter, to participate in the General meeting of shareholders and vote on all the issues within the shareholder's competence;

- to receive dividends to be distributed among shareholders as set forth by the existing legislation of the Russian Federation;

- if the Bank is liquidated, to receive a part of its property as set forth by the existing legislation of the Russian Federation;

- to exercise other rights stipulated by the existing legislation of the Russian Federation.

5.2. Shareholders – owners of preferred shares with fixed dividend - shall not have the right to vote at the General meeting of shareholders, unless otherwise stipulated by the legislation of the Russian Federation.

Preferred shares of the Bank with fixed dividend provide their owners-shareholders with the same volume of rights and have the same par value.

If the Bank is liquidated, shareholders – owners of preferred shares with fixed dividend - shall have the right to receive the liquidation value of such shares. The liquidation value of a preferred share with fixed dividend shall equal its par value.

Shareholders – owners of preferred shares with fixed dividend - shall vote at the General meeting of shareholders on the issues related to reorganization and liquidation of the Bank.

Shareholders – owners of preferred shares with fixed dividend - shall acquire the right to vote at the General meeting of shareholders in the cases stipulated by the existing legislation of the Russian Federation.

5.3. Each shareholder shall have the right to request an extract from the register of the Bank's shareholders furnished by the registrar to confirm the shareholder's rights, as well as to receive information from the registrar of the Bank's shareholders in accordance with the legislation of the Russian Federation.

5.4. The Bank's shareholders shall have the right to dispose of their shares without consent of other shareholders and the Bank. The Bank and its shareholders shall not have the preemptive right to purchase the shares disposed of by the Bank's shareholders.

5.5. The Bank's shareholders shall have the preemptive right to acquire additional shares and equity securities convertible into shares, placed by public or private offering, proportionally to the number of the shares of the relevant category owned by them on the terms and according to certain restrictions established by the legislation of the Russian Federation.

The persons having the preemptive right to acquire additional shares and equity securities convertible into shares of the Bank shall be notified according to the procedure established for the notifications of the General meeting of shareholders.

5.6. The Bank's shareholders shall have the right to request the Bank to purchase all or a part of their shares according to the procedure and in the cases stipulated by the legislation of the Russian Federation.

5.7. The Bank's shareholders are entitled to receive information about the Bank to the extent and according to the procedure stipulated by the legislation of the Russian Federation.

5.8. The Bank's shareholders shall have other rights in accordance with the legislation of the Russian Federation and this Charter.

5.9. If placed, authorized shares of the Bank shall provide their holders with all the rights established by the legislation of the Russian Federation and this Charter for the holders of the relevant category of the shares.

5.10. The Bank's shareholders shall:

- pay up their shares when due according to the procedure and by the methods stipulated by the legislation of the Russian Federation and decisions on issuing such securities;
- meet the requirements of this Charter, the internal regulations of the Bank and the decisions of the Bank's governing bodies;
- not disclose confidential information related to the Bank's activities;
- duly inform the holder of the register of the Bank's shareholders about the changes in their data in accordance with the legislation of the Russian Federation;
- fulfill other obligations stipulated by the legislation of the Russian Federation and the internal regulations of the Bank.

5.11. The Company secretary of the Bank shall provide the compliance by the bodies and officers of the Bank with the rules and procedures of the corporate governance, which guarantee the exercise of the shareholders' rights and interests, as well as shall organize the cooperation between the Bank and its shareholders. The appointment procedure, functions and powers of the Company secretary are determined by the regulation on the Company secretary of the Bank

## **Article 6. REGISTER OF THE BANK'S SHAREHOLDERS**

6.1. The Bank shall ensure maintenance and keeping of the register of the Bank's shareholders in accordance with the existing legislation of the Russian Federation.

A holder of the register of the Bank's shareholders may be the Bank itself, under restrictions established by the applicable legislation of the Russian Federation, or a registrar.

6.2. A person registered in the register of the Bank's shareholders shall duly inform the holder of the register of the Bank's shareholders of any personal data changes. If relevant information on personal data changes is not submitted, the Bank and registrar shall not be liable for any losses incurred.

6.3. Entries in the register of the Bank's shareholders shall be made in accordance with the legislation of the Russian Federation.

6.4. Entry in the register of the Bank's shareholders shall not be refused, except for the events stipulated by the legislation of the Russian Federation. A refusal to make an entry in the register of the Bank's shareholders may be appealed in court.

6.5. Upon a request of a shareholder or a nominal holder of shares, the holder of the register of the Bank's shareholders shall confirm the rights to shares by providing an extract from the register of the Bank's shareholders, such extract not being a security.

## **Article 7. DIVIDENDS OF THE BANK**

7.1. The Bank may make the decision to pay dividends on its outstanding shares based on the results of the first quarter, the first six or nine months of the financial year and/or the results of the financial year. A decision to pay (declare) dividends based on the results of the first quarter, the first six or nine months of the financial year may be adopted within three months after the end of the relevant period.

7.2. The dividends shall be paid out of the net profit of the Bank.

7.3. A decision to pay dividends, including a decision on the amount of dividends and form of payment for each category (type) of shares shall be approved by the General meeting of shareholders. Amount of dividends shall not exceed the amount recommended by the Board of Directors.

7.4. Schedule and order of payment of dividends shall be determined in the resolution of the General meeting of shareholders related to the payment of dividends.

The list of persons entitled to receive dividends shall be drawn up at the date of drawing up a list of those entitled to participate in the General meeting of shareholders, which is to resolve on the payment of relevant dividends.

7.5. The Bank is not entitled to make a decision on (declare about) the payment of dividends on its shares in the cases stipulated by the existing legislation of the Russian Federation.

## **Article 8. GOVERNING BODIES OF THE BANK**

8.1. The governing bodies of the Bank shall be:

- General meeting of shareholders;
- Board of Directors;
- Management Board - collective executive body;
- President - sole executive body.

## **Article 9. GENERAL MEETING OF SHAREHOLDERS OF THE BANK**

9.1. The General meeting of shareholders shall be the supreme governing body of the Bank. The General meeting of shareholders shall act in accordance with the legislation of the Russian Federation, this Charter and Regulations on the General meeting of shareholders of the Bank.

9.2. The following matters shall be within the competence of the General meeting of shareholders:

- 1) amendments and addenda to the Charter of the Bank, or approval of the Charter in a new edition;
- 2) reorganization of the Bank;
- 3) liquidation of the Bank, appointment of the liquidation committee and approval of interim and final liquidation balance sheets;
- 4) determination of number of the members in the Board of Directors, election of its members and early termination of their powers;
- 5) determination of number, par value, and categories (types) of authorized shares and rights attached to such shares;
- 6) increase of the share capital of the Bank by increasing par value of shares or placing additional shares in cases stipulated by the existing legislation;
- 7) decrease of the share capital of the Bank by reducing par value of shares, or by acquiring a part of shares by the Bank in order to reduce their total quantity, or by redeeming shares acquired or repurchased by the Bank;
- 8) election of members of the Bank's Audit committee (Inspector) and early termination of their powers;
- 9) approval of the Bank's Auditor;
- 10) payment (declaration) of dividends based on the results of the first quarter, the first six or nine months of the financial year;
- 11) approval of the annual reports, annual financial statements, including statements of income (profit and loss accounts) of the Bank, distribution of profits (including payments (declaration) of dividends, except for the profit distributed as dividends based on the results of the first quarter, the first six or nine months of financial year) and losses of the Bank at the end of financial year;
- 12) development of the General meeting of shareholders holding procedure;
- 13) election of members of the Counting committee and early termination of their powers;
- 14) split and consolidation of shares;
- 15) approval of interested-party transactions in cases stipulated by the existing legislation of the Russian Federation;
- 16) approval of major transactions in cases stipulated by the existing legislation of the Russian Federation;



17) acquisition of outstanding shares by the Bank in cases stipulated by the existing legislation of the Russian Federation;

18) decisions to acquire a stake in holdings, financial and industrial groups, associations and other alliances of profit-making organizations;

19) approval of internal documents regulating activities of the Bank's governing bodies;

20) decision on application for delisting of the Bank's shares and/or equity securities convertible into its shares;

21) decisions on other matters in accordance with the existing legislation of the Russian Federation.

9.3. The Bank's executive bodies may not make decisions on the matters that fall within the competence of the General meeting of shareholders.

The Board of Directors may not make decisions on the matters that fall within the competence of the General meeting of shareholders, excluding the matters stipulated by the existing legislation.

The General meeting of shareholders may not consider and make decisions on the matters that are not in its competence, as set forth by the legislation of the Russian Federation.

9.4. General meetings of shareholders may be annual or extraordinary.

The Bank must hold an annual General meeting of shareholders every year. The annual General meeting of shareholders shall be held not earlier than in two months and not later than in six months after the end of financial year. Such meeting may not be held in the form of absentee voting.

9.5. An extraordinary General meeting of shareholders shall be held upon a decision of the Board of Directors and on its initiative, or at a request of the Audit Committee, the Auditor, or a shareholder (shareholders) that own at least 10 (ten) percent of the Bank's voting shares as of the date of such request. The request to hold an extraordinary General meeting of shareholders shall contain the matters to be included in its agenda.

The Board of Directors shall resolve to convene an extraordinary meeting of shareholders or refuse to convene it within five days since the date of the relevant request. The Board of Directors shall notify the persons that request convocation of its resolution within three days since the date of such resolution. A resolution of the Board of Directors to refuse to convene an extraordinary General meeting of shareholders may be appealed in court.

9.6. To organize a General meeting of shareholders, a list of persons entitled to take part in the General meeting of shareholders shall be drawn up based on the register of shareholders as at the date determined by the Board of Directors.

9.7. The General meeting of shareholders shall take place at a date, venue and time determined by the Board of Directors or persons that convene such meeting.

9.8. A resolution of the General meeting of shareholders may be approved without conducting the meeting (joint presence of shareholders in order to discuss the matters on the agenda and make decisions on the matters put to the vote) by means of absentee voting, except for the cases, when the General meeting of shareholders may not be held in the form of absentee voting as set forth by the existing legislation of the Russian Federation.

9.9. An announcement of a General meeting of shareholders shall be made in terms stipulated by the existing legislation of the Russian Federation and by means of publishing in the newspapers "The Udmurtskaya Pravda" or "The Izvestiya Udmurtskoy Respubliki", and posted on the Bank's official corporate web-site in the information and telecommunications network Internet.

9.10. The shareholders (a shareholder) that in aggregate own at least 2 percent of the voting shares of the Bank shall have the right to propose issues for the agenda of the annual General meeting of shareholders and nominate candidates to the Board of Directors and Audit Committee of the Bank, the number of which may not exceed the number of members of a relevant body. Such proposals shall be submitted to the Bank within 30 days after the end of financial year.

The Board of Directors shall consider the submitted proposals and resolve to include them in the agenda of the General meeting of shareholders or refuse to do so in cases stipulated by the legislation of the Russian Federation. A decision of the Board of Directors to refuse to include the issues in the agenda or candidates in the list of candidates for elections to the Board of Directors and Audit Committee may be appealed in court.

The Board of Directors may not change the wording of the issues proposed for the agenda of the General meeting of shareholders and the wording of relevant resolutions.

Besides the issues, proposed by shareholders for the agenda of the General meeting of shareholders, or if there are no such proposals, or there are no or not enough candidates proposed by shareholders for election to a relevant Bank's body, the Board of Directors shall have the right to include the issues in the agenda of the General meeting of shareholders or nominate relevant candidates at its own discretion.

9.11. A shareholder may exercise his/her right to vote both personally and through his/her proxy. A proxy of a shareholder shall have the right to take part in voting on the basis of a power of attorney issued in accordance with the requirements of the legislation of the Russian Federation.

9.12. The General meeting of shareholders shall be considered authorized (shall have a quorum), if the shareholders, that take part in it, hold, in aggregate, over one half of the votes attached to the outstanding voting shares of the Bank.

The shareholders, who registered for the participation in the General meeting of shareholders or whose voting ballots were received at least two days prior to the date of the General meeting of shareholders, shall be considered to have taken part in the General meeting of shareholders. If the General meeting of shareholders is held in the form of absentee voting, the shareholders, whose ballots were received prior to the deadline for acceptance of voting ballots, shall be considered to have taken part in such General meeting of shareholders.

9.13. If an annual General meeting of shareholders has no quorum, an adjourned General meeting of shareholders shall be held with the same agenda. If an extraordinary General meeting of shareholders has no quorum, an adjourned General meeting of shareholders may be held with the same agenda.

An adjourned General meeting of shareholders shall be considered authorized (shall have a quorum), if the shareholders, that take part in it, hold, in aggregate, over 30 percent of the votes attached to the outstanding voting shares of the Bank. An announcement of an adjourned General meeting of shareholders shall be made in accordance with the existing legislation of the Russian Federation and this Charter.

9.14. Voting on issues of the agenda of the General meeting of shareholders should be held by means of ballot papers.

Ballot papers should be sent by mail or handled to each person enlisted as entitled to take part in the General meeting of shareholders within the terms stipulated by the existing legislation of the Russian Federation.

9.15. Voting at the General meeting of shareholders shall be based on the principle "one voting share of the Bank – one vote", except for cumulative voting used to elect the members of the Board of Directors. During cumulative voting the number of votes that belongs to each shareholder shall be multiplied by the number of persons to be elected to the Board of Directors, and a shareholder is entitled to cast all his/her votes for one candidate or distribute such votes between two and more candidates.

Votes related to each issue put to the vote shall be counted by all voting shares jointly, unless existing legislation sets forth otherwise.

9.16. Decision of the General meeting of shareholders is to be taken jointly by the majority of votes of shareholders owning voting shares that participate in the General meeting of shareholders unless otherwise is stipulated by the existing legislation of the Russian Federation.

Decisions on issues articulated in subparagraphs №№ 2, 6 and 14 – 19 of the paragraph 9.2 of the Charter are to be taken by the General meeting of shareholders on the suggestion of the Board of Directors of the Bank.

Decisions on issues articulated in subparagraphs №№ 1-3, 5 and 17 of the paragraph 9.2 of the Charter are to be taken by three-fourth majority of votes of the shareholders owning voting shares and participating in the General meeting of shareholders.

Regulation on General meeting of shareholders approved by the General meeting of shareholders of the Bank provides the General meeting of shareholders with the arrangements for decision making regarding the procedures of the General meeting of shareholders.

The General meeting of shareholders is not entitled to make decisions on issues that were not included into the agenda of the meeting as well as change the agenda.

9.17. Upon the voting the Counting committee draws up minutes on the voting results that should be signed by the members of the Counting committee or a person acting as the Committee. The minutes on voting results shall be drawn up within 3 (three) working days after the adjournment of the General meeting of shareholders or the date of deadline for acceptance of voting ballots provided the meeting is held in the form of absentee voting. The minutes on voting results is to be subjoined to the minutes of the General meeting of shareholders.

9.18. The minutes of the General meeting of shareholders should be drawn up in two counterparts within 3 (three) working days after the adjournment of the General meeting of shareholders. Both counterparts are to be signed by the secretary of the General meeting of shareholders presiding during the General meeting of shareholders.

9.19. The resolutions approved by the General meeting of shareholders and the voting results shall be declared at the General meeting of shareholders, at which such voting took place, or shall be communicated as a report on the voting results within 10 days, after the minutes on the voting results was drawn up, to the persons entitled to participate in the General meeting of shareholders in the manner determined for the announcements of the General meeting of shareholders.

9.20. A shareholder is entitled to contest a decision made by the General meeting of shareholders in violation of the requirements of the existing legislation of the Russian Federation and the Charter, if this shareholder did not participate in the General meeting of shareholders or voted against such decision and this decision breaches his/her rights and legal interests.

## **Article 10. BOARD OF DIRECTORS OF THE BANK**

10.1. The Board of Directors shall be responsible for general management of the Bank's activities, except for the matters within the competence of the General meeting of shareholders of the Bank. The Board of Directors acts in accordance with the legislation of the Russian Federation, this Charter, and the Regulations on the Board of Directors approved by the General meeting of shareholders.

10.2. The Board of Directors shall be composed of 7 (seven) elected members.

10.3. The following matters shall be within the competence of the Board of Directors:

- 1) determination of the priorities of the Bank's activities;
- 2) convocation of annual or extraordinary General meetings of shareholders, except for the cases, when the right to convocation and holding of the General meeting of shareholders is reserved to other bodies and persons as set forth by the legislation of the Russian Federation;
- 3) approval of the agenda of the General meeting of shareholders;
- 4) determination of the date for drawing up the list of those entitled to take part in the General meeting of shareholders and other matters within the competence of the Board of Directors in accordance with the legislation of the Russian Federation and this Charter and related to the preparation and holding of the General meeting of shareholders of the Bank;
- 5) submission of matters, stipulated by the legislation of the Russian Federation and this Charter, to the General meeting of shareholders for consideration;
- 6) increase of the Bank's share capital by placing additional shares within the quantity and types of authorized shares, as determined by this Charter, except for the cases, when the legislation of the Russian Federation reserves such resolutions to the competence of the General meeting of shareholders;
- 7) placement of bonds and other equity securities by the Bank, including bonds convertible into shares and other equity securities convertible into shares, except for the cases, when the legislation of the Russian Federation permits the placement of securities convertible into shares only upon the resolution of the General meeting of shareholders;
- 8) approval of resolutions on the issue of securities, securities prospectuses in accordance with federal laws and other legal acts of the Russian Federation;

- 9) determination of the price (monetary value) of property, offering price and buyout price of issued securities in the cases set forth by the legislation of the Russian Federation;
- 10) acquisition of the Bank's outstanding shares, bonds and other securities in the cases set forth by the legislation of the Russian Federation;
- 11) establishment of the Bank's executive bodies and early termination of their powers, including election of the President of the Bank, signing and termination of a labor contract with the President, establishment of the Management Board and determination of the number of its members;
- 12) appointment of vice-presidents, chief accountant, deputy chief accountant and early termination of their powers;
- 13) recommendations related to the amount of remuneration and reimbursement paid to the Bank's Audit committee, and determination of the Auditor's fee;
- 14) recommendations related to the amount of dividend per share, the form and order, in which such dividend should be paid;
- 15) use of reserve fund and other funds of the Bank;
- 16) approval of the Bank's annual financial plan;
- 17) approval of the list and priority levels (internal bank limits) of banking operations and other transactions subject to consideration by the Board of Directors of the Bank in accordance with the internal regulations;
- 18) approval of the Bank's maximum aggregate risk exposure;
- 19) establishment of branches and representative offices and their liquidation, approval of their regulations, as well as amendments to the Bank's Charter related to the establishment of branches, representative offices and their liquidation;
- 20) decisions to participate or terminate the Bank's participation in other organizations (except for financial and industrial groups, associations and other alliances of profit-making organizations);
- 21) approval of the Bank's registrar, terms of contract with the registrar and termination of such contract;
- 22) consideration of the Bank's corporate management practices;
- 23) approval of major transactions in the cases set forth by the legislation of the Russian Federation;
- 24) approval of interested-party transactions in the cases set forth by the legislation of the Russian Federation;
- 25) approval of transactions on granting loans to related parties, if the limits set for loans to related parties are exceeded;
- 26) issues related to internal control as set forth by this Charter in accordance with the legislation of the Russian Federation, regulatory acts of the Central Bank of Russia and internal documents of the Bank;
- 27) approval of the Bank's internal documents, except for the internal documents that must be approved by the General meeting of shareholders and other Bank's internal documents that must be approved by the Bank's executive bodies in accordance with this Charter, including:
  - Bank's development strategy;
  - risk management policies of the Bank;
  - credit policies;
  - regulations on branches and representative offices of the Bank;
  - regulations on reserves of the Bank;
  - regulations on the Internal control service of the Bank;
- 28) establishment of committees of the Board of Directors of the Bank and approval of their members;
- 29) appointment and making decisions on dismissal of the Bank's Company Secretary; approval of regulation on the Bank's Company Secretary;
- 30) regular review of reports of the President of the Bank on the results of the Bank's activity and taken risks. The order and period of reporting should be determined by the Board of Directors;
- 31) decision making on applications for the Bank's shares listing and (or) the Bank's equity securities convertible into the Bank's shares;

32) other matters set forth by the legislation of the Russian Federation, regulatory acts of the Central Bank of Russia and this Charter.

10.4. The Bank's executive bodies may not consider and make decisions on the matters that fall within the competence of the Board of Directors.

10.5. The members of the Board of Directors shall be elected by the General meeting of shareholders in the order and the period set forth by existing legislation and this Charter for a period till the next annual General meeting of shareholders. The members of the Board of Directors may be reelected an unlimited number of times. The members of the Board of Directors shall be elected by cumulative voting.

Only an individual can be a member of the Board of Directors. A member of the Board of Directors may not necessarily be the Bank's shareholder.

The members of the Management Board of the Bank may not comprise over one forth of the Board of Directors. The President of the Bank may not concurrently be the Chairperson of the Board of Directors.

Candidates to the Board of Directors should comply with qualifying requirements established by the federal laws and regulatory acts of the Central Bank of Russia.

The General meeting of shareholders may resolve to early terminate the powers of all members of the Board of Directors.

10.6. The Chairperson of the Board of Directors shall be elected by and out of the members of the Board by a majority of votes of all members of the Board. The Board of Directors shall have the right to reelect its Chairperson at any time by a majority of votes of all members of the Board.

The Chairperson of the Board of Directors shall organize its work, convene and chair meetings of the Board of Directors, arrange for keeping minutes.

If the Chairperson of the Board of Directors is not present, his/her duties shall be performed by one of the members of the Board of Directors according to a decision of the Board of Directors.

The Chairperson of the Board of Directors, or a member of the Board of Directors according to a decision of the Board of Directors, shall chair the General meeting of shareholders.

10.7. Meetings of the Board of Directors shall be convened by the Chairperson of the Board of Directors on his/her own initiative or at a request of a member of the Board of Directors, Audit committee (Inspector) of the Bank or Auditor of the Bank, Management Board or President of the Bank.

10.8. A meeting of the Board of Directors shall be considered authorized (shall have a quorum), if over one half of elected members of the Board of Directors take part in it.

If the number of members of the Board of Directors falls below the above quorum, the Board of Directors shall resolve to hold an extraordinary General meeting of shareholders in order to elect a new Board of directors of the Bank. Remaining members of the Board of Directors may only resolve to convene such extraordinary General meeting of shareholders.

10.9. Written opinion of a member of the Board of Directors absent from the meeting of the Board of Directors shall be considered and counted for the determination of a quorum of such meeting and the voting results.

The Board of Directors may make decisions by absentee voting (by way of inquiring).

10.10. Resolutions at a meeting of the Board of Directors shall be approved by a majority of votes of the members of the Board of Directors that take part in such meeting, unless more votes are required by the legislation of the Russian Federation and this Charter. Each member of the Board of Directors shall have one vote. No member of the Board of Directors shall be allowed to delegate his/her vote to another person, including another member of the Board of Directors. In the event of a tie, the Chairperson of the Board shall have a casting vote.

10.11. At the meetings of the Board of Directors they shall keep minutes. Such minutes shall be finalized within three days after a relevant meeting. Minutes of the meeting of the Board of Directors shall be signed by a person that chaired such meeting and by the secretary of the meeting.

10.12. Other terms related to the convening and holding of the meetings of the Board of Directors and not described in this Charter shall be set forth in the Regulations on the Board of Directors, to be approved by the General meeting of shareholders.

10.13. When the members of the Board of Directors exercise their rights or discharge their duties, they shall act in good faith and in a reasonable manner in the interests of the Bank. The members of the Board of Directors shall be liable for their culpable actions (failures to act) that inflicted losses on the Bank, unless existing legislation stipulates other grounds for liability.

## **Article 11. EXECUTIVE BODIES OF THE BANK**

11.1. The collective executive body – the Management Board – and the sole executive body – the President – shall manage day-to-day activities of the Bank. The President of the Bank shall fulfill the duties of the Chairperson of the Management Board. The President and the members of the Management Board shall act in accordance with the legislation of the Russian Federation, this Charter and Regulations on the Management Board approved by the General meeting of shareholders.

11.2. The Management Board and the President of the Bank shall be responsible for all management issues of day-to-day operations, except for the issues that fall within the competence of the General meeting of shareholders or the Board of Directors. The Management Board and the President shall report to the Board of Directors and the General meeting of shareholders of the Bank. The Management Board and the President shall organize execution of resolutions of the General meeting of shareholders and the Board of Directors.

11.3. The Board of Directors of the Bank shall establish and early terminate the powers of the Management Board.

The Board of Directors is entitled to early terminate the powers of the Management Board and establish a new Management board at any time.

The number of the members of the Management Board shall be determined by the Board of Directors of the Bank, but can not be less than three persons.

11.4. The following matters shall be within the competence of the Management Board:

- 1) to organize and manage day-to-day operations of the Bank;
- 2) to approve the Bank's internal regulations that determine rules and procedures of bank risk management;
- 3) to perform current control over the compliance with the order of bank risk management, timely bank risk detection, adequacy of bank risk evaluation, timely implementation of the procedures for bank risk management;
- 4) to make decisions on transactions related to loans and deposits at an amount exceeding 5 or more percent of the Bank's equity as at the latest balance sheet date;
- 5) to make decisions on reclassification of debts that exceed limits established by the Board of Directors;
- 6) to determine the list of information to be considered commercial secrets of the Bank, and approve the procedure of working with such information;
- 7) to make decisions related to internal control stipulated by this Charter in accordance with the legislation of the Russian Federation, the regulatory acts of the Central Bank of Russia and the internal documents of the Bank;
- 8) to approve internal documents of the Bank on the matters that fall within the competence of the Management Board;
- 9) to establish collective working bodies, including committees and commissions, approve regulations on them, and delegate of authorities for making relevant decisions;
- 10) to make other decisions pertaining to day-to-day operations of the Bank, except for decisions that fall within the competence of the General meeting of shareholders, the Board of Directors or the President of the Bank. The Management board shall have the right to make decisions pertaining to day-to-day operations and falling within the competence of the President of the Bank, if the President of the Bank submits relevant issues to the meeting of the Management board for consideration and takes part in such meeting

11.5. The Management Board meeting shall be considered authorized to make decisions (have a quorum), if at least one half of its elected members participate in it. If the number of members of the

Management Board falls below the above mentioned quorum, the Board of Directors shall elect a new Management Board.

11.6. The Management Board shall make decisions by the majority of votes of its members that participate in its meeting. Each member of the Management Board shall have one vote. No member of the Management Board shall be allowed to delegate his/her vote to another person, including another member of the Management Board. In the event of a tie, the President shall have a casting vote.

11.7. At the meeting of the Management Board the minutes shall be taken to be signed by the chairperson and the secretary of the meeting.

11.8. The President of the Bank shall be elected by the Board of Directors for an unlimited period.

11.9. The President of the Bank shall act on behalf of the Bank and in its interests without the power of attorney.

The following matters shall be within the competence of the President:

1) to manage day-to-day operations in accordance with this Charter;  
2) to represent the Bank's interests in all state power bodies, municipal authorities, financial, administrative, judicial, law enforcement and other organizations, in relations with private customers and legal entities of all types of property;

3) to coordinate activities of the Bank's divisions;

4) to dispose of the Bank's property within limits established by this Charter and the existing legislation, to conclude transactions on behalf of the Bank;

5) to approve issue reports (additional issue) of the Bank's equity securities in accordance with the federal laws and other regulatory acts;

6) to make decisions on bonds issue date, bond purchasing according to demands of the owners and (or) agreements with their owners, establishment of the bond yield, as well as other issues related to a conversion of bonds, that are not referred to the competence of other management bodies of the Bank by the legislation;

7) to make decisions on establishing (closing) of internal structural units (branches) of the Bank, approve regulations on such units;

8) to issue orders related to day-to-day operations of the Bank and give within the competence instructions binding upon all the employees of the Bank;

9) to approve regulatory documents, methods;

10) to approve the Bank's organizational structure and its payroll;

11) to convene the Management Board meetings, set the agenda and chair such meetings;

12) to make decisions related to internal control stipulated by this Charter in accordance with the legislation of the Russian Federation, the regulatory acts of the Central Bank of Russia and the internal documents of the Bank;

13) to approve the internal documents of the Bank on the matters that fall within the competence of the President;

14) all the other issues on managing day-to-day operations of the Bank that do not fall within the competence of other governing bodies of the Bank.

11.10. The President of the Bank is entitled to delegate certain authorities, as well as impose temporary obligations on his/her subordinates.

A person who is temporarily acting as the President, acts, without any power of attorney, on the basis of this Charter and the relevant order of the President.

11.11. When the President and the members of the Management Board exercise their rights or discharge their duties, they shall act in good faith and in a reasonable manner in the interests of the Bank. They shall be liable for their culpable actions (failures to act) that inflicted losses on the Bank, unless the existing legislation stipulates other grounds for liability.

## **Article 12. CONTROL OVER FINANCIAL AND ECONOMIC ACTIVITIES OF THE BANK**

12.1. The financial and economic activities of the Bank shall be controlled by the Audit committee elected by the General meeting of shareholders for the period of 1 (one) year till the next annual General meeting of shareholders, in amount of 3 people.

12.2. The members of the Audit committee may not concurrently be the members of the Board of Directors or hold other positions in the Bank's governing bodies.

12.3. The members of the Audit committee shall be responsible for discharging in good faith the duties assigned to them in accordance with the procedure established by the legislation of the Russian Federation.

12.4. To fulfill the duties assigned, the Audit committee may retain experts that do not hold any post in the Bank.

12.5. The Audit committee operating procedures shall be determined by the Regulations on the Audit committee of the Bank approved by the General meeting of shareholders.

12.6. The review (audit) of the financial and economic activities of the Bank shall be performed based on the results of its operations for a year, as well as at any time at the discretion of the Audit committee, upon the resolution of the General meeting of shareholders, the Board of Directors or the demand of a shareholder (shareholders) that owns in aggregate at least 10 percent of the voting shares of the Bank.

12.7. The Audit committee shall deliver the annual report on financial and economic activities of the Bank to the General meeting of shareholders.

12.8. The Audit committee report on the extraordinary audit of the financial and economic activities of the Bank shall be delivered to the Board of Directors and to the person demanding such extraordinary audit.

12.9. To review and confirm the reliability of the annual financial statements of the Bank, it shall hire an Auditor annually.

The Auditor of the Bank shall be approved by the General meeting of shareholders.

The audit of the Bank shall be performed in accordance with the legislation of the Russian Federation on the basis of the agreement executed with such Auditor.

12.10. The Auditor's report shall be delivered to the Central Bank of Russia in accordance with the procedure established by the legislation of the Russian Federation.

12.11. Supervision and control over the Bank's activities shall be performed by the Central Bank of Russia and other bodies authorized by the legislation of the Russian Federation.

## **Article 13. INTERNAL CONTROL OF THE BANK**

13.1. In accordance with the requirements of the existing legislation of the Russian Federation the Bank shall set up its internal control system.

13.2. Internal control is an activity that shall be exercised by the Bank (its governing bodies, units and employees) for the following purposes:

- to ensure efficiency and effectiveness of the financial and economic activities of the Bank when conducting banking operations and other transactions, as well as to ensure efficiency of risk management and assets and liabilities management, including assets protection;

- to ensure that financial, accounting, statistical and other reports are authentic, complete, objective, prepared and submitted (to external and internal users) in due time, as well as to ensure information security (security related to the interests (objectives) of the Bank in the information environment);

- to comply with the regulatory legal acts, constituent and internal documents of the Bank;

- to prevent involvement by the Bank and its employees in unlawful activities, including money laundering and financing of terrorism, as well as to deliver the relevant information in due time to the state authorities and the Central Bank of Russia as set forth by the legislation of the Russian Federation.



13.3. Internal control system of the Bank is an aggregate system of internal control bodies and scopes that ensures the compliance with the objective achievement procedure established by the legislation of the Russian Federation, the constituent documents and other internal regulations of the Bank.

Internal control system of the Bank includes the following scopes:

- the Bank's governing bodies control over the organization of the Bank's activities;
- control over the functioning of risk management system and risk assessment;
- control over the distribution of powers when conducting banking operations and other transactions;
- control over the information flow management (receipt and transfer of information ) and information security;
- permanent supervision over the functioning of the internal control system in order to assess its compliance with the Bank's objectives, detect defects, develop proposals and exercise control over the implementation of decisions aimed at the Bank's internal control system improvement.

13.4. Internal control bodies system of the Bank is a system of governing bodies, as well as structural units and employees (authorized officers) of the Bank that fulfill functions within the internal control system in accordance with the existing legislation, this Charter and the internal regulations of the Bank.

The internal control bodies system includes:

- the Bank's governing bodies stated in Article 8 of this Charter: the General meeting of shareholders, the Board of the Directors, the Management Board, the President of the Bank;
- the Bank's Audit committee;
- the chief accountant and his/her deputies;
- the head (his/her deputies) and the chief accountant (his/her deputies) of the Bank's branch;
- the structural units and employees of the Bank that exercise internal control in accordance with the powers determined by the Bank's internal documents and this Charter, including:
  - Internal control service of the Bank;
  - the anti-money laundering and countering the financing of terrorism (AML/CFT) officer (structural unit);
  - other structural units and (or) authorized officers in accordance with the powers determined by the Bank's internal documents.

13.5. Within the competence of the Board of Directors the following internal control issues fall:

- 1) to establish and control the functioning of the efficient internal control system, approve regulations and instructions on the Bank's internal control system;
- 2) to consider internal control efficiency issues regularly at its meetings and discuss with the Bank's executive bodies the issues of the internal control organization and measures to improve its efficiency;
- 3) to consider documents related to the internal control system organization which have been developed by the Bank's executive bodies, Internal control service, the AML/CFT officer (structural unit), Audit committee, other Bank's structural units, an auditor that conducts (conducted) an audit;
- 4) to take measures to ensure that the Bank's executive bodies immediately fulfill the recommendations and remarks made by the Internal control service, the Bank's Auditor that conducts (conducted) an audit, and supervision authorities;
- 5) to check in due time the compliance of the internal control with the nature, scale and terms of the Bank's activities, in case such nature, scale or terms are changed;
- 6) to approve the Regulations on the Internal control service;
- 7) to appoint and dismiss the chief officer of the Internal control service.

13.6. Within the competence of the Management Board of the Bank the following internal control issues fall:

- 1) to check the compliance of the Bank's activities with the internal regulations that determine the internal control procedure, as well as to assess the compliance of such regulations with the nature and scale of the Bank's activities;

2) to consider data and results of the periodical internal control efficiency assessments;

13.7. Within the competence of the President of the Bank the following internal control issues fall:

1) to determine responsibility for the implementation of the decisions made by the Board of Directors and of the strategy and policies of the Bank related to the internal control organization and activities;

2) to delegate powers to the chief officers of the relevant units of the Bank to develop internal control regulations and procedures and to control their implementation;

3) to distribute the duties among the Bank's units and employees that are responsible for specific internal control scopes (forms, methods of implementation);

4) to develop efficient information transfer and exchange systems that ensure the receipt of necessary information by the relevant users. Information transfer and exchange systems include all the documents that determine operational policies and procedures of the Bank's activities.

5) to set up the system of control over the elimination of detected violations and weaknesses of internal control and develop the measures taken to eliminate such violations and weaknesses;

6) to make other decisions that do not fall within the competence of the General meeting of shareholders, the Board of Directors or the Management Board, as set forth by the legislation of the Russian Federation and (or) this Charter.

13.8. To exercise internal control and assist the Bank's governing bodies in ensuring efficient operation of the Bank, it shall establish the Internal control service.

13.9. The Internal control service shall act on the basis of this Charter, the Bank's internal control service regulations and other internal documents that regulate internal control system.

13.10. The Internal control service of the Bank shall not be a part of any other units and shall function as an independent structural unit of the Bank. In accordance with the legislation of the Russian Federation the Bank shall ensure that activities of the Internal control service are permanent, independent and unbiased, its chief officer and employees are professionally competent, as well as it shall provide conditions for the unobstructed and efficient fulfillment of its functions.

13.11. The Internal control service shall report to and act under the direct control of the Board of Directors of the Bank. The Internal control service reporting procedure shall be determined by the Internal control service regulations.

13.12. The headcount and structure of the Internal control service shall be determined by the President of the Bank in accordance with the scale of the activity, the nature of banking operations and transactions.

13.13. The chief officer of the Internal control service shall be appointed and dismissed upon the order by the President of the Bank based on the decision of the Board of Directors.

13.14. The chief officer of the Internal control service is not entitled to perform management of any other unit of the Bank, except for the Internal control service.

The chief officer and employees of the Internal control service are not entitled to hold any positions in other units of the Bank, except for the Internal control service.

13.15. The chief officer and employees of the Internal control service shall have the right:

- to visit the premises of the inspected unit, as well as the premises used for keeping documents (archives), cash and valuables (money storage), for data processing (computer rooms) and for machine-readable data storage, in accordance with access procedures set forth by the relevant internal documents of the Bank;

- to obtain documents, their copies and other information, as well as any data from the Bank's information systems which are necessary to exercise control in compliance with the requirements set forth by the legislation of the Russian Federation and the requirements by the Bank related to classified information;

- to engage the Bank's employees in carrying out a check and request them to provide access to the documents and other information which are necessary for carrying out such checks.

13.16. The Board of Directors may decide to subject the Internal control service to independent inspection by the Bank's Auditor or the Board of Directors.

13.17. The AML/CFT officer (structural unit) is an official (a structural unit) of the Bank that is responsible for the development and implementation of internal control regulations in order to counter the legalization (laundering) of profits obtained illegally and financing of terrorism, as well as for the development and implementation of programs aimed to exercise internal control and other internal organizational measures designed for the above objectives, as well as for the furnishment of the relevant information to the authority established to counter the legalization (laundering) of profits obtained illegally and financing of terrorism as set forth by the legislation of the Russian Federation.

13.18. The powers of other bodies, units and employees that make up the system of Internal control bodies and that exercise internal control shall be determined by this Charter, regulations on such bodies and other internal documents of the Bank.

#### **Article 14. ACCOUNTING AND REPORTING OF THE BANK. INFORMATION ON THE BANK**

14.1. The Bank shall keep books, as well as submit financial and statistical reports and prepare annual reports in the manner set forth by the Central Bank of Russia, federal laws and other legal acts of the Russian Federation.

14.2. The executive body of the Bank shall be responsible for the organization, state and authenticity of the Bank's accounting, for timely submission of the annual reports and other financial statements to the relevant authorities, as well as of the information on the Bank's operations to the shareholders, creditors and mass media in accordance with the legislation of the Russian Federation and this Charter.

14.3. The procedure for furnishing, storage and dissemination of the information related to the Bank shall be determined in accordance with the requirements of the existing legislation of the Russian Federation.

14.4. The Bank prepares consolidated financial statements according to the current legislation. Annual consolidated financial statements are presented to the shareholders of the Bank by posting it on the Bank's official website on the Internet, and by allowing access to it where the executive body of the Bank is located.

#### **Article 15. REORGANIZATION AND LIQUIDATION OF THE BANK**

15.1. The Bank may be voluntary reorganized upon the resolution of the General meeting of shareholders. Such reorganization is carried out in the form of merger, consolidation, demerger, spin-off and reconstitution.

15.2. The Bank may be voluntary liquidated upon the resolution of the General meeting of shareholders, or upon the court decision on the grounds set forth by the federal laws of the Russian Federation.

15.3. In the case of voluntary liquidation of the Bank, the Board of Directors shall bring up the issue of liquidation of the Bank and liquidation committee appointment at the General meeting of shareholders.

15.4. Since the liquidation committee is appointed, such liquidation committee shall have all the powers to manage the Bank's operations. The Liquidation committee shall represent the Bank in court.

15.5. Reorganization and liquidation of the Bank shall be carried out as set forth by the legislation of the Russian Federation, in accordance with the requirements of the regulatory acts of the Central Bank of Russia.

15.6. In the case of reorganization of the Bank, its documents shall be transferred to its legal successor (successors) or for storage to a relevant state authority in accordance with the established procedure.

In the case of liquidation of the Bank, personnel related documents and other documents of the Bank, stipulated by the legislation of the Russian Federation, shall be transferred for storage to a relevant state authority in accordance with the established procedure.

**Article 16. AMMENDMENTS TO THE CHARTER OF THE BANK**

16.1. Amendments to this Charter or a new edition of the Charter shall be subject to state registration in accordance with the legislation of the Russian Federation.

16.2. Amendments to this Charter or a new edition of the Charter shall come into force for the third parties since their state registration, whereas in the cases set forth by the legislation of the Russian Federation – since the notification of an authority that performs such state registration.

President  
JSC “BystroBank”

*Signature*

V.Yu.Kolpakov

Seal: the Russian Federation, the Udmurt Republic, Izhevsk, Joint-stock Company “BystroBank”

Stitched, numbered, sealed  
18 (eighteen) sheets

President JSC “BystroBank”

[*signature*]  
Kolpakov Vladislav Yuryevich

«23» July 2013

Seal: Seal: the Russian Federation, the Udmurt Republic, Izhevsk, Joint-stock Company “BystroBank”

