

**COPY**

stamp:

National Bank of the Republic of Belarus STATE REGISTRATION 14 December 2018 Registration No. 24 Signature: /signed/
--

These Articles of Association were registered with the National Bank of the Republic of Belarus on 12 December 1991  
Registration No. 24

**ARTICLES OF ASSOCIATION OF  
BELVNESHECONOMBANK  
OPEN JOINT STOCK COMPANY**

**(Bank BelVEB OJSC)**

Approved by the Constituent Meeting on 12 November 1991

in the wording approved by  
the General Meeting of Shareholders  
on 25 May 2016 (Minutes No.3),  
as amended and revised  
on 16 March 2017 (Minutes No. 1),  
on 18 July 2018 (Minutes No. 4),  
on 25 October 2018 (Minutes No. 6)

City of Minsk

**CONTENTS**

Article 1. General.....	3
Article 2. Status and Structure of the Bank.....	3
Article 3. Goals and Mission of the Bank.....	4
Article 4. Authorized Capital and Shares in the Bank .....	5
Article 5. Powers and Obligations of Shareholders of the Bank .....	9
Article 6. Assets and Resources of the Bank. Profit and Loss Distribution .....	11
Article 7. Bodies of the Bank .....	12
Article 8. General Meeting of Shareholders .....	13
Article 9. Supervisory Board .....	19
Article 10. Management Board .....	24
Article 11. Supervision of Financial and Business Operations of the Bank. Internal Controls of the Bank .....	27
Article 12. Transactions of the Bank .....	29
Article 13. Accounting and Reporting, Documents of the Bank. Information about the Bank .....	31
Article 14. Reorganization and Liquidation of the Bank .....	32

## **Article 1. General**

1. Belvnesheconombank Open Joint Stock Company (hereinafter – ‘the Bank’) is a legal entity operating under the law of the Republic of Belarus and these Articles.

2. The name of the Bank is:

in Belarusian – Адкрытае акцыянернае таварыства «Белвнешэканамбанк», abbreviated to ААТ «Банк БелВЭБ»;

in Russian – Открытое акционерное общество «Белвнешэкономбанк», abbreviated to ОАО «Банк БелВЭБ»;

in English – Belvnesheconombank Open Joint Stock Company, abbreviated to Bank BelVEB OJSC.

3. The Bank has a round seal bearing its full corporate name in Belarusian and Russian and its trade mark and other details as prescribed by the law. The Bank may have other seals, and also stamps and letterheads with its name and trade mark and also employ other means of visual identification.

4. The Bank’s trade mark is a square-like frame and the inscription «БелВЭБ» (in English – ‘BelVEB’) to the right of the square-like frame. The square-like frame contains a stylized image of the globe curved around by a line resembling in outline the letter ‘б’ in the Cyrillic script and the letter ‘b’ in the Latin script, respectively.

5. The registered office of the Bank is 29, Pobeditelei Ave., Minsk, Republic of Belarus.

## **Article 2. Status and Structure of the Bank**

1. The Bank is set up as an open joint stock company by transforming Closed Joint Stock Company ‘The Bank for Foreign Economic Affairs of the Republic of Belarus’ established in pursuance of the resolution of the Government of the Republic of Belarus and succeeds to all its obligations towards all its creditors and debtors.

The Bank succeeds to all obligations towards all creditors and debtors of Amkodorbank and Belcoopbank Joint Stock Banks reorganized by way of their incorporation into the Bank.

2. The Bank is a commercial organization that possesses, subject to its special permit (license) to undertake banking business, an exclusive right to effect all banking transactions with regard to taking funds from natural and/or legal persons to accounts and/or term (call) deposits, lending these borrowed funds in its own name and at its own expense contingent on the principles of collectability, serviceability and maturity, and opening and managing bank accounts for natural and/or legal persons.

3. The Bank shall possess its own property and assets accounted for in its own books, and shall bear sole responsibility for its obligations; it may enter into transactions in its own name and effect other operations, acquire and exercise proprietary and private non-proprietary rights, discharge its obligations, and sue and defend in court.

4. The Bank shall be liable for its obligations with all of its assets.

The Bank shall not be liable for the obligations of its shareholders, and its shareholders shall not be liable for the obligations of the Bank unless otherwise prescribed by the law or these Articles.

Should insolvency (bankruptcy) of the Bank be caused by any of its shareholders or any other persons, including any managing officers of the Bank, that have the authority to issue instructions mandatory for the Bank or are otherwise empowered to exercise influence over its operations, then in accordance with legal acts such persons shall be held vicariously liable with regard to its obligations in the event of insufficiency of the Bank’s assets.

The Bank shall not be liable for the obligations of the State, nor shall the State be liable for the obligations of the Bank unless the State shall have pledged itself to assume such obligations or the law prescribes otherwise.

5. The Bank may participate in, and establish, other legal entities (including for-profit and not-for-profit organizations), which includes, *inter alia*, having subsidiaries and associated companies, unitary enterprises and establishments, may create associations, comprised of bodies corporate, which are not bodies corporate, and may participate in such associations. The Bank shall not be liable for the obligations of legal entities where it acts as founder (participant) or owner of assets thereof, and they shall not be liable for the obligations of the Bank unless otherwise prescribed by the legal acts or founding documents of such legal entities.

6. The Bank may set up (establish), in a manner prescribed by the law, its stand-alone units (branches, representative offices), structural units maintaining no account books of their own and remote workplaces operating for and on behalf of the Bank. The Bank shall bear responsibility for the operations of its stand-alone and structural units, and remote workplaces.

Within the scope of operations of such stand-alone or structural unit of the Bank, the head of such unit shall be authorized to issue powers of attorney, sealed by such unit, on behalf of the Bank to employees of such unit to receive and/or transfer cash money, precious metals and other assets, accountable forms, commodity and material assets, postal, telegraph, insured and all other kinds of correspondence and parcels, and also to cancel such powers of attorney.

The Bank consists of its head office and structural units that maintain no account books of their own.

7. In order to pursue its goals and objectives and conduct its business, the Bank shall adopt local normative acts (hereinafter – ‘local acts’) and other in-house documents.

These Article shall prevail over any local acts and in-house documents issued by the Bank.

8. The duration of the Bank shall be perpetual.

### **Article 3. Goals and Mission of the Bank**

1. The Bank is established with a view to pursuing banking business. The main goal of the Bank’s operations shall be to derive profit.

2. Subject to the law, the Bank may engage in any business activities save those that banks are prohibited. Certain activities that are defined by the law may be undertaken by the Bank only subject to a special permit (license).

3. Subject to a special permit (license) to undertake banking business granted by the National Bank of the Republic of Belarus, the Bank shall conduct the following banking operations:

taking of cash funds from natural and legal persons to accounts and current (time) deposits;

lending of the attracted cash funds mentioned in Paragraph 2 of this Article in its name and at its own expense subject to the principles of collectability, serviceability and maturity;

opening and management of bank accounts for natural and legal persons;

opening and management of precious metal accounts;

provision of settlement and cash services to natural and legal persons, including correspondent banks;

currency conversion transactions;

trading in precious metals where so provided by the National Bank of the Republic of Belarus;

taking and placement of precious metals to current (time) deposits of natural and legal persons;

issuance of bank guarantees;

provision of bank funds trust management under bank funds trust management agreements;

provision of cash trust management under cash trust management agreements;

collection of cash funds, precious metals and stones and other valuables;

issuance of bank payment cards;

issuance of securities in confirmation of taking cash funds to current (time) deposits and their placement in accounts;

financing under assignment of cash funds owing (factoring);

provision of special premises or safe deposit boxes installed therein to natural and legal persons for safe-keeping documents and articles of value (cash, securities, precious metals and stones etc.); and

transportation of cash, precious metals and stones and other articles of value between banks and non-bank credit and financial institutions, their stand-alone and structural units, and also delivery of such items of value to clients of banks and non-bank credit and financial institutions.

4. Subject to a special permit (license) to undertake professional and stock exchange operations with securities granted by the Ministry of Finance of the Republic of Belarus, the Bank shall perform (deliver) such services relating thereto that are stated in such a special permit (license).

Conditions and procedures with respect to each of the Bank's professional and stock exchange operation and service specified in the special permit (license), inclusive of depositary regulations, shall be adopted by the Management Board.

5. Subject to agreements entered into with the Government of the Republic of Belarus and other bodies and organizations of state authority, the Bank shall participate in the implementation of state programmes.

6. In compliance with provisions of the law, the Bank shall develop, implement and run soft- and hardware designed to computerize its operations.

7. In accordance with requirements of the law and local acts, the Bank shall ensure security of operation of objects, provision of banking services, as well as protection of sensitive information resources and information.

#### **Article 4. Authorized Capital and Shares in the Bank**

1. The Authorized Capital of the Bank is BYN 117,407,500 (one hundred seventeen million four hundred seven thousand five hundred Belarusian roubles). The in-kind portion of the Authorized Capital is BYN 96,966.11 (ninety-six thousand nine hundred sixty-six Belarusian roubles and eleven copecks) or 0.08 (eight-hundredths) of one per cent of the registered Authorized Capital of the Bank.

The Authorized Capital of the Bank is divided into 11,740,750,000 (eleven billion seven hundred forty million seven hundred and fifty thousand) ordinary (common) shares with a par value of 1 copeck each.

No preferred shares have been issued by the Bank.

2. All shares of the Bank shall be registered. The Bank may issue shares of two classes: ordinary (common) and preferred shares. The portion of preferred shares in the cumulative Authorized Capital may not exceed 5 (five) per cent of the total.

Shares shall be issued in a book-entry form. Subject to its special permit (license) to engage in professional and stock exchange operations with securities, the Bank shall independently set up and maintain a Register of Shareholders of the Bank in accordance with provisions of the law.

3. The Authorized Capital of the Bank shall be declared in Belarusian roubles and shall be formed (increased) in a manner prescribed by the law and these Articles. Only own funds of shareholders, other persons and/or the Bank's

sources may be used to form the Authorized Capital of the Bank.

Contributions to the Authorized Capital may be made in cash and in kind. Cash funds may be contributed to the Authorized Capital of the Bank both in Belarusian roubles and in foreign currency excepting such cases as determined by the law. Foreign currency shall be converted to the official monetary unit of the Republic of Belarus in a manner prescribed by the law.

In case of in-kind contributions to the Bank's Authorized Capital, an assessment of the monetary value thereof, which shall be approved by the General Meeting of Shareholders proceeding from a verification of the accuracy of the assessment of the in-kind contributions, shall be carried out. Procedures of making and evaluating in-kind contributions to the Authorized Capital where the law and these Articles are silent shall be governed by a relevant local act of the Bank approved by the General Meeting of Shareholders.

The par value of shares in the Bank shall always be expressed in Belarusian roubles irrespective of the form or currency of any contribution.

4. Where so resolved by the General Meeting of Shareholders, the Authorized Capital of the Bank may be increased by way of issuing additional shares or raising the par value of shares.

An increase in the Authorized Capital of the Bank by way of issuing additional shares may be effected both by means of own funds of the Bank and/or funds of its shareholders and by means of other investment arrangements. An increase in the Authorized Capital of the Bank by way of raising the par value of shares shall be effected by means of own funds of the Bank, and where such resolution is unanimously approved by all shareholders, by means of funds of the shareholders of the Bank.

The Bank shall be entitled to publicly and, in case of allotment of additional shares by means of own funds of the Bank and/or funds of its shareholders and where so prescribed by the law, privately allot additional shares. Issue of additional shares by the Bank shall proceed in a manner prescribed by the law and these Articles.

5. Shareholders holding voting shares shall have a pre-emptive right to acquire the Bank's additional shares issued by the Bank unless otherwise prescribed by the law.

The list of shareholders entitled to a pre-emptive right to acquire shares shall be drawn up on the basis of the Register of the Shareholders of the Bank used to draw up the list of persons entitled to take part in the General Meeting of Shareholders that shall have adopted the relevant resolution to increase the Authorized Capital of the Bank by issuing additional shares to be allotted by holding a subscription thereto.

Notification of shareholders of their pre-emptive right to acquire additional shares to be allotted through an open subscription shall be made by the Bank by publishing a brief information notice about issue, that must contain all such details and information as set out by the law, including the information about shareholders' pre-emptive right, the time-frame and procedures of exercising such right, in the common information resource of the securities market, and by publishing it in the *Sovietskaya Belorussiya* newspaper and/or by placing it on the Bank's official site in the Internet global computer network (hereinafter – 'the Internet'). Resolution of the General Meeting of Shareholders to increase the Authorized Capital of the Bank by issuing additional shares to be allotted through a closed subscription shall be notified to shareholders by publishing it in the *Sovietskaya Belorussiya* newspaper and/or placing it on the Bank's official site on the Internet and also by publishing information regarding issue in the common information resource of the securities market and furnishing it in writing by telecommunications means, regular mail or hand delivery to each shareholder holding over 1 (one) per cent of voting shares and to bodies of state authority (organizations) authorized to manage shares in the Bank held by the State.

The time-frame within which shareholders may exercise their pre-emptive right to acquire shares shall be 30 (thirty) days inclusive of the day of the commencement of such public (closed) subscription. Where the time-frame set for a closed subscription does not exceed the one stated hereinabove, the pre-emptive right shall remain effective throughout the entire period of holding such subscription.

During the first half of the time-frame set for the exercise of the pre-emptive right, shareholders may exercise it by entering into a share subscription agreement with the Bank. The number of additional shares that may be acquired by any shareholder shall be determined proportionally to the number of shares held by such shareholder according to the Register of Shareholders of the Bank used to draw up the list of shareholders entitled to a pre-emptive right to acquire shares. Should the number of shares so determined be not multiple of one, then the method of rounding down to the nearest integer shall be applied.

During the time remaining to exercise their pre-emptive right, shareholders may exercise it by filing requests with the Bank for the acquisition of additional shares. The number of additional shares that may be so acquired by a shareholder is limited by the number of shares that are not yet allotted under such subscription. Shareholders' requests shall be satisfied on the basis of precedence of their receipt by the Bank by concluding share subscription agreements.

Where these Articles are silent, procedures of exercising the pre-emptive right to acquire additional shares issued by the Bank shall be governed by a local act of the Bank approved by the General Meeting of Shareholders.

6. Subject to a resolution by the General Meeting of Shareholders, the Authorized Capital of the Bank may be decreased by reducing the par value of shares or by purchasing a portion of shares by the Bank in order to reduce their total number.

A decrease in the Authorized Capital of the Bank may only be effected after receiving a written permission of the National Bank of the Republic of Belarus and after notifying all creditors of the Bank thereof in a manner prescribed by the law.

7. Acquisition of own shares by the Bank shall be effected subject to a relevant resolution of the General Meeting of Shareholders in a manner prescribed by the law and these Articles.

The Bank must receive a permission of the National Bank of the Republic of Belarus for the purchase of over 5 (five) per cent of its issued stock unless otherwise prescribed by the law.

Any resolution to acquire own shares by the Bank must contain such details and information as prescribed by the law.

Notification of holders of shares resolved to be acquired shall be made by the Bank as prescribed by the law by placing same in the common information resource of the securities market and publishing it in the *Sovietskaya Belorussiya* newspaper and/or placing it on the Bank's official Internet site or making it known otherwise, thereby providing access to the text of such share acquisition offer to an unrestricted body of persons. Where the law does not require such share acquisition offer to be made known to an unrestricted body of persons, the Bank shall notify its shareholders, holders of such shares, within 10 (ten) days from passing the relevant resolution by the General Meeting of Shareholders to acquire the Bank's own issued shares, in a manner used to notify them of holding such Meeting or in writing by telecommunication means, regular mail or hand delivery stating the number of shares of each class to be acquired by the Bank, share purchasing price, deadlines for submitting share sale offers by shareholders and the time schedules for such share acquisition.

Share sale offers shall be deemed submitted in due time if received by the Bank prior to the expiration of the time-frame set by the relevant resolution of the General Meeting of Shareholders on the acquisition of own issued shares by the Bank. Any offers received by the Bank after the expiration of the stated time-frame shall be ignored.

Share sale offers shall be submitted in writing by mailing them to the Bank, by hand delivery or by telecommunication means duplicated by mandatory delivery (mail dispatch) of their originals and must contain the name (corporate name), residence address (location address) and signature of the shareholder, and state the number of shares of each class to be sold under the Bank's share acquisition resolution.

Any offer from a shareholder that is a natural person must also contain his/her statement that such share sale is compliant with the law provisions governing securities transactions by persons privy to the inside information in the securities market. Any offer from a shareholder must be certified by an impression of such shareholder's seal.

Not later than 10 (ten) days after the expiration of the time-frame set for submitting shareholders' sale offers, the Management Board must review the offers submitted within the proper time-frame and resolve whether to accept or refuse to acquire shares if a shareholder's offer appears to be inconsistent with the provisions of Clause 6 of this section and/or the resolution of the General Meeting of Shareholders to acquire own issued shares by the Bank; or sale of shares by a shareholder is not compliant with the law provisions governing securities transactions by persons privy to the inside information in the securities market.

Within the time-frame set by the relevant resolution of the General Meeting of Shareholders on the acquisition by the Bank of its own issued shares, the Bank must, proceeding from the results of reviewing shareholders' sale offers, either acquire the shares offered by shareholders for sale or notify shareholders in writing of its refusal to acquire same.

Where the total number of shares offered for acquisition exceeds the number of shares that are to be acquired by the Bank under the resolution, such shares shall be purchased from shareholders proportionally to the offers submitted. Should the number of shares not be multiple of one, then the method of rounding down to the nearest integer shall be applied.

Any shares that shall be acquired by the Bank under a resolution of the General Meeting of Shareholders for the purpose of decreasing the Authorized Capital by reducing their total number shall be subject to cancellation in a manner prescribed by the law. Any shares that shall have been otherwise acquired by a decision of the Bank itself shall be placed at the disposal of the Bank.

The Bank may not pass any resolution on the acquisition of shares and to acquire its own issued shares where so precluded by the law.

8. The Bank shall buy back its own issued shares at the request of its shareholders in such cases as determined by the law.

The list of shareholders whose shares must be bought back by the Bank at their demand shall be drawn up on the basis of the Register of Shareholders of the Bank used to draw up the list of persons entitled to take part in the General Meeting of Shareholders whose order of business included matters that could give grounds to shareholders to invoke their right to request buy-back of their shares in the Bank.

The price of buying back shares by the Bank at the request of its shareholders shall be determined in accordance with the law and approved by the General Meeting of Shareholders that shall have passed a resolution that could give grounds to the shareholders to invoke their right to request buy-back of the Bank's shares.

Within 10 (ten) days from the adoption by the General Meeting of Shareholders of a resolution that shall have given grounds to shareholders to invoke the right to request buy-back of their shares by the Bank, the Bank shall notify such shareholders in a manner used to notify them about holding that Meeting of Shareholders, about their right to demand buy-back of their shares, share buy-back price, the time-frame for submitting their written share buy-back applications and the time schedule for buying back their shares.

Any share buy-back application shall be deemed submitted in proper time if received by the Bank within 30 (thirty) days from passing a resolution by the General Meeting of Shareholders that shall have given grounds for shareholders to invoke their right to request buy-back of shares by the Bank. Any request received after the expiration of the stated time-frame shall be ignored.

Applications requesting to buy back shares shall be submitted in writing by mailing them to the Bank, or by hand delivery or by telecommunication means duplicated by mandatory delivery (mail dispatch) of their originals and must contain the name (corporate name), residence address (location address) and signature of the shareholder, and state the number of shares of each class requested to be bought back and the grounds for such buy-back request. Such applications from shareholders shall contain a confirmation that such share sale is compliant with the law provisions governing securities transactions by persons privy to the inside information in the securities market. Applications from shareholders that are legal persons must be certified by an impression of its seal.

Not later than 10 (ten) days after the expiration of the time-frame set for submitting applications requesting share buy-back, the Management Board must review such applications submitted within the proper time-frame and resolve whether to buy back shares or refuse to do same if:

any such application is inconsistent with the provisions of Clause 6 of this section;

according to the list of shareholders that are to be bought by the Bank at their demand and/or according to the information about the registration of participants in the General Meeting of Shareholders that shall have passed a resolution giving grounds to shareholders to request buy-back of shares by the Bank, and/or according to the voting results in respect of such resolution such shareholder appears to be ineligible to request buy-back of shares by the Bank (in case of shareholders' proper notification of the General Shareholders' Meeting where such resolution was passed); or

sale of shares by such shareholder is not compliant with the law provisions governing securities transactions by persons privy to the inside information in the securities market.

Within 45 (forty-five) days from the expiration of the time-frame set for reviewing shareholders' share buy-back



applications, the Bank shall be obligated, proceeding from the results of examining such applications, either to buy back such shares or notify shareholders in writing of its refusal to effect such buy-back.

The total amount of funds committed by the Bank for the share buy-back at the demand of its shareholders may not exceed 10 (ten) per cent of the value of the net assets of the Bank as at the date of passing the resolution that shall have given grounds to shareholders to invoke the right to request the buy-back of shares by the Bank. Should the total number of shares to be bought back at the request of shareholders exceed the number of shares that could be bought back by the Bank with regard to the limit set herein the shares shall be bought back proportionally to the applications submitted. Should the number of such shares upon calculation be not multiple of one, then the method of rounding down to the nearest integer shall be applied.

Any shares bought back by the Bank at the request of its shareholders shall be placed at the disposal of the Bank.

9. The own issued shares placed at the disposal of the Bank shall not confer any voting rights and shall be ignored during any vote count at the General Meeting of Shareholders, and no dividend shall accrue thereon. Such shares should be disposed of within 1 (one) year in accordance with the goals set in the relevant resolution of the General Meeting of Shareholders. Otherwise, the General Meeting of Shareholders must resolve to decrease the Authorized Capital of the Bank by the sum total of par values of shares placed at the disposal of the Bank.

10. If so resolved by the General Meeting of Shareholders, the number of shares in the Bank may be altered by either consolidating or splitting the share stock without increasing or decreasing the Authorized Capital of the Bank, provided that it does not result in the alteration in the number of shareholders and proportion of their stakes, and does not create fractions of shares (fractional shares).

#### **Article 5. Powers and Obligations of Shareholders of the Bank**

1. Shareholders of the Bank shall be individuals (natural persons) and legal persons, including foreign ones that have gained the right to own property, or to exercise commercial administration or operational management of shares in the Bank.

2. The shareholders of the Bank shall be entitled to:

administer and manage their shares in the Bank in accordance with the law, and sell same to any person of their choice without other shareholders' prior consent;

a pre-emptive right to purchase additional shares issued by the Bank in a manner prescribed by these Articles and other local acts of the Bank;

receive information about the Bank's operations and inform themselves of its records to the extent and in a manner prescribed by the law, these Articles and other local acts of the Bank; and

exercise such other rights as set forth by the law, these Articles and other local acts of the Bank.

3. Each ordinary (common) share in the Bank entitles its holder to an equal scope of rights. Holders of ordinary (common) shares in the Bank shall be entitled to:

participate in the General Meeting of Shareholders with a voting right in regard to matters within the scope of powers of the General Meeting of Shareholders except as otherwise prescribed by the law;

receive a portion of the Bank's profits in the form of dividends; and

receive a portion of its property left after settlement with creditors or its cash equivalent in the event of the liquidation of the Bank.

4. Each preferred share of the same class in the Bank entitles its holder to an equal scope of rights. Holders of preferred shares in the Bank shall be entitled to:

receive a portion of the Bank's profits in the form of fixed-size dividends calculated at 30 (thirty) per cent of such share par value p.a. per each preferred share held by them. The fixed-size dividends shall be paid out within 60 (sixty) days starting from the 15<sup>th</sup> (fifteenth) day following the resolution to declare and pay preferred shares dividends;

receive a fixed cash equivalent of the property equal to the aggregate par value of preferred shares held by them, or a portion of such property corresponding to such cash equivalent left after settlement with creditors in the event of the liquidation of the Bank; and

participate in the General Meeting of Shareholders with a voting right where so laid down by the law.

5. The shareholders shall be obligated:

to make contributions to the Authorized Capital in a timely fashion and in full (to pay for shares acquired from the Bank);

to comply with the provisions of these Articles and comply with resolutions of the General Meeting of Shareholders adopted within the scope of its powers through due process;

not to commit (or omit) any act that is capable of damaging the interests of the Bank, nor obstruct the Bank's activities by their action (or omission);

to timely inform the Bank of the circumstances, which suspend or otherwise restrict shareholders' and/or their representatives' rights (including the information on the grounds and nature of such restrictions) according to the law, as well as termination thereof;

to furnish information containing, *inter alia*, personal data on acquisition of (intention to acquire) ordinary shares, where so laid down by the law;

to timely provide the Bank with information on the conclusion of a shareholders' agreement (including, *inter alia*, information on the parties and the number of the Bank's shares belonging to them), introduction of amendments thereto, change of the parties, and termination of such shareholders' agreement; not to disclose any banking secrets, commercial secrets and any other information obtained by virtue of shareholding in the Bank which disclosure and/or divulgence is restricted under the law and local acts of the Bank; and

to discharge such other obligations as emanating from their shareholding in the Bank as determined by the law, these Articles, and the shareholders' agreement in case the shareholder is a party to such agreement.

6. Any shareholders presumed to be the Bank's related parties or insiders shall be obligated to submit all such information in such a scope and manner and within such time-frames as prescribed by the law and local acts of the Bank approved by the Management Board as necessary to identify the circle of related parties and insiders and keep records thereof, and further submit any information of any transactions of the Bank known to them, whether being effected or contemplated, where they may be deemed to have a stake.

7. Any shareholders that own or will own the Bank's equity stake equal or exceeding 5 (five) per cent, or those that own or will own such stake on behalf of another person (the Bank's beneficial owner), shall be obliged to submit all such information in the scope, manner and within such time-frames prescribed by the law and the Bank's local acts approved by the Management Board as necessary to identify the circle of, and register, the Bank's beneficial owners, to assess their compliance with the requirements set by the National Bank of the Republic of Belarus.

**Article 6. Assets and Resources of the Bank. Profit and Loss Distribution**

1. The Bank shall own properties and assets transferred by the Bank's shareholders to its Authorized Capital in the form of contributions; properties and assets of unitary enterprises and establishments founded by the Bank; assets acquired by the Bank in the course of conducting its business; and also such properties and assets as acquired by the Bank on other grounds permitted by the law.

2. The Bank shall operate making use of own and borrowed funds that are accumulated owing to the properties in the Bank's ownership, funds of legal and natural persons in accounts and term (call) deposits with the Bank, loans (advances) from other banks, issue of bonds and other securities, retained profit of the current year, and other funding sources that are not prohibited by the law.

3. The Bank may use any profit retained at its disposal after the payment of taxes and execution of other statutory payments to form the Bank's funds, and also distribute a portion thereof among its shareholders in the form of dividends in accordance with the law and these Articles.

4. The Bank shall set up its reserve and other funds subject to a resolution of the General Meeting of Shareholders out of the profit retained by the Bank at its disposal after the payment of taxes and execution of other statutory payments.

The reserve fund shall be formed with the aim of covering losses of the Bank.

The Bank must be allocating resources for the reserve fund amounting to no less than 5 (five) per cent of the Bank's profit left at its disposal after performing tax, commission (fee) and other mandatory payments into the republican and local budgets, state non-budgetary social security fund of the Republic of Belarus and other state non-budgetary funds until the reserve fund totals at least 10 (ten) per cent of the Bank's regulatory capital.

Any shareholder is entitled to provide cash funds to the reserve fund or to cover its losses.

Procedures of forming and using the Bank's funds shall be governed by local acts of the Bank approved by the General Meeting of Shareholders with due regard to the provisions of the law and these Articles. The size of allocations to the Bank's funds shall be determined by the General Meeting of Shareholders.

5. The Bank shall be entitled to distribute a portion of the profit retained at its disposal among shareholders who own common (ordinary) shares in the form of dividends, and shall be obliged to distribute same among shareholders who own preferred shares after paying taxes, executing other statutory payments and offsetting losses of current periods incurred through the Bank's fault. The Bank shall be obligated to pay dividends in such cases and in such manner as prescribed by the law.

Resolution to declare and pay dividends, and also the size of dividends to be paid out and the manner of their payment shall be adopted by the General Meeting of Shareholders. Resolution to declare and pay dividends for the first quarter, semi-annual period, and nine months (hereinafter – 'interim dividends') may be adopted based on interim accounting (financial) reports, and to declare and pay dividends for the year-end (hereinafter – 'end-of-year results') may be adopted based on annual accounting (financial) reports. Dividends shall be distributed among allotted shares only.

The matter of declaring and distributing annual dividends must be deliberated by the General Meeting of Shareholders upon approval of the profit and loss distribution. The resolution about the declaration and distribution of interim dividends may be adopted within 3 (three) months from the end of the respective period.

The dividend size shall be declared in Belarusian roubles per one share. The size of the dividend to be paid on preferred shares must not be less than that paid on ordinary (common) shares.

Dividends shall be paid in Belarusian roubles, their payment to shareholders not resident in the Republic of Belarus may also be made in a foreign currency with due regard to the provisions of the foreign exchange regulations.

Dividends shall be paid within 60 (sixty) days starting from the 15<sup>th</sup> (fifteenth) day after adopting the relevant resolution about their declaration and payment.

The list of shareholders entitled to receive dividends shall be drawn up using the Register of Shareholders of the Bank that shall have been used to draw up the list of persons entitled to participate in the General Meeting of Shareholders that shall have resolved to distribute dividends.

Information about the time, mode and place of dividend distribution shall be transmitted to shareholders in a manner in which they are notified of the holding of the General Meeting of Shareholders. Information about distribution of dividends shall also be placed by the Bank within the common information resource of the securities market.

Dividends due to shareholders that are legal persons and, on request, to shareholders that are natural persons shall be remitted to their bank accounts.

Where prohibited by the law, the Bank may not resolve to declare and distribute dividends, nor pay same.

Where these Articles are silent, the procedures of declaring and distributing dividends shall be determined by a local act of the Bank approved by the General Meeting of Shareholders.

### **Article 7. Bodies of the Bank**

1. Governing and controlling bodies of the Bank shall be bodies of the Bank. The governing bodies of the Bank shall be:

The General Meeting of Shareholders, the supreme governing body of the Bank;

The Supervisory Board, the collegiate governing body of the Bank exercising general management of the Bank's business and affairs; and

The Management Board, the collegiate executive body of the Bank.

The Audit Committee shall be the controlling body of the Bank.

2. The Supervisory Board and the Audit Committee shall be accountable to the General Meeting of Shareholders. The Management Board shall be accountable to the General Meeting of Shareholders and the Supervisory Board.

3. In exercising their powers and discharging their duties, members of the bodies of the Bank:

must act according to the principle of transparency (provision of information stipulated by the law, these Articles, and the Bank's regulations to the General Meeting of Shareholders and Supervisory Board, as well as to furnish other information which may affect performing of duties by the members of the Supervisory Board), in good faith and judiciously in the best interests of the Bank;

must ensure equal and fair treatment of all the Bank's shareholders;

must not use the Bank's property or allow to use same in breach of these Articles, resolutions of the General Meeting of Shareholders and/or the Supervisory Board, as well as for personal purposes;

must not evade their duties stipulated by the law and these Articles; and

must not disclose any banking secrets, commercial secrets or any other information that shall have come to their knowledge due to their participation in the work of the bodies of the Bank, which disclosure and/or divulgence is restricted by the law and local acts of the Bank.

4. Members of the Supervisory Board and members of the Management Board shall be obligated to submit all such information in such scope and manner and within such time-frames prescribed by the law and local acts of the Bank approved by the Management Board as necessary to identify the circle of the Bank's related parties and insiders, assess the consistency of professional skills of the members of the Supervisory Board and the Management Board with the specified qualifications and/or business reputation requirements, and further submit any information about any of the Bank's transactions known to them, whether being effected or contemplated, where they may be deemed to have

a stake.

Members of the Supervisory Board and members of the Management Board must inform the Supervisory Board in writing (members of the Management Board must also inform the Management Board where so prescribed by the law) delivering such information in person or sending it by regular mail, hand delivery service or by telecommunication means duplicated by mandatory delivery (mail dispatch) of the original document:

of each of their transactions with the Bank's securities within 5 (five) days after their execution; and

of any transactions with the Bank's securities involving their husband (wife), parents, children of legal age and their spouses, adoptive parents, adopted children of legal age and their spouses, grandparents, grandchildren of legal age and their spouses, siblings and their husband's (wife's) parents – within 10 (ten) days after their execution.

5. In a manner prescribed by the law, members of the bodies of the Bank shall be held responsible to the Bank within their terms of reference for any losses incurred by the Bank through their wilful action (wilful omission).

### **Article 8. General Meeting of Shareholders**

1. The General Meeting of Shareholders shall be vested with exclusive powers to:

- 1) amend and modify the Articles of Association of the Bank;
- 2) increase or reduce the Authorized Capital of the Bank;
- 3) adopt and approve resolutions on the issue (additional issue) of shares by the Bank; approve share subscription results;
- 4) resolve on the acquisition (disposal) of own shares by the Bank; approve the price of buying back shares by the Bank at the request of its shareholders where so prescribed by the law;
- 5) elect members of the Supervisory Board and the Audit Committee and remove such members before the expiration of their terms of office save as otherwise provided by the law;
- 6) approve annual reports, annual accounting (financial) reports, and profit and loss distribution of the Bank on the basis of, and with due regard to, the opinion of the Audit Committee and the audit report;
- 7) resolve to reorganize the Bank and approve the certificate of transfer or the separation balance sheet;
- 8) resolve to liquidate the Bank, set up a liquidation committee, appoint its chairperson or liquidator, approve the interim liquidation balance sheet and the liquidation balance sheet, excepting the cases where a decision to liquidate the Bank is adopted by the National Bank of the Republic of Belarus or by a court of law in accordance with legal acts;
- 9) resolve to declare and distribute interim dividends based on the Bank's interim accounting (financial) reports and annual dividends based on the Bank's annual accounting (financial) reports;
- 10) fix emoluments and reimbursement of expenses of the members of the Supervisory Board and the Audit Committee in conjunction with discharging their duties; take a decision with respect to annual emoluments or bonuses for the members of the Bank's Management Board and with respect to the amount of funds to this effect pursuant to the law.
- 11) approve local acts of the Bank where so prescribed by the law and these Articles;
- 12) delegate to other governing bodies of the Bank the right to take one-time decisions on certain matters that do not pertain to the exclusive powers of the General Meeting of Shareholders;
- 13) approve the size and personal composition of the counting and tabulation commission; and
- 14) determine procedures of holding the General Meeting of Shareholders where the law, these Articles and local

acts of the Bank are silent.

No matter determined to pertain to the exclusive powers of the General Meeting of Shareholders may be delegated for resolution by other governing bodies of the Bank.

The General Meeting of Shareholders shall have an exclusive power to resolve matters pertaining to the Bank's transactions where its related parties have a stake, and to the Bank's material transactions as provided by Article 12 hereof.

The General Meeting of Shareholders may not transact business and resolve matters that are determined by these Articles to be outside the scope of its powers. The General Meeting of Shareholders may not transact any business outside its agenda, nor may it modify such agenda.

2. The Supervisory Board shall be the governing body of the Bank empowered to prepare, call and hold the General Meeting of Shareholders. Where so determined by the law and these Articles, the General Meeting of Shareholders may be called and held by other bodies or shareholders of the Bank.

3. The General Meeting of Shareholders may be held by way of attendance in person, correspondence voting or a combination of both. No General Meeting of Shareholders may be held by way of correspondence voting or a combined method where its agenda includes at least one of the following matters:

- 1) election of the members of the Supervisory Board;
- 2) election of the members of the Audit Committee;
- 3) approval of the Bank's annual report, annual accounting (financial) reports, and profit and loss distribution;
- 4) reorganization of the Bank; and
- 5) liquidation of the Bank.

4. The Bank shall yearly hold an annual – regular – General Meeting of Shareholders not later than 3 (three) months from the close of the reporting year to analyze the results of the Bank's operation over the year, including the report on the Bank's strategy implementation, approve its annual report, annual accounting (financial) reports, and profit and loss distribution of the Bank on the basis of, and with due regard to, the opinion of the Audit Committee and the auditor's report, and also transact matters of electing members of the Supervisory Board and the Audit Committee and approve the personal composition of the counting and tabulation commission.

Decision to call and hold the annual General Meeting of Shareholders must be made by the Supervisory Board not later than 50 (fifty) days from the close of the relevant reporting year. Should the Supervisory Board fail to call it in a manner and within the time-frame prescribed, it may be called by other bodies of the Bank or shareholders (a shareholder) empowered to demand holding an extraordinary General Meeting of Shareholders.

5. Any General Meeting of Shareholders other than the annual General Meeting of Shareholders shall be an extraordinary General Meeting of Shareholders.

An extraordinary General Meeting of Shareholders shall be held by virtue of a decision of the Supervisory Board based on its own initiative, a request from the Management Board, a request from the Audit Committee, a request from an audit firm, a request from an auditing entrepreneur (hereinafter – an 'audit firm'), and by virtue of a request from shareholders (shareholder) of the Bank possessing in the aggregate not less than 10 (ten) per cent of the total number of votes held by the shareholders of the Bank.

Any request to hold an extraordinary General Meeting of Shareholders must be submitted in writing by sending it to the Bank by regular mail, hand delivery service or by telecommunication means duplicated by a mandatory delivery (mail dispatch) of the original request. Such request shall determine the method of holding such Meeting, set out matters to be put on the agenda, state reasons for such matters and provide a draft resolution on each matter to be transacted thereat. Where such request is advanced by shareholders (a shareholder), it must contain the name (corporate name), place of residence (location) and signature of each of the shareholders (shareholder), and also the number of votes held by them (it) at the General Meeting of Shareholders. Such request advanced by a shareholder that is a legal person must be certified by an impression of its seal.

Within 15 (fifteen) days from the date of receiving a request to hold an extraordinary General Meeting of Shareholders, the Supervisory Board shall be obligated to review such request and decide whether to call and hold such Meeting or issue a reasoned refusal to call and hold it in the cases that are stipulated by the law. Decision of the Supervisory Board to call and hold an extraordinary General Meeting of Shareholders or its reasoned refusal to call and hold same shall be served on the requestor/s in writing by means of telecommunication services, regular mail or by hand delivery not later than 5 (five) days from the date of taking such decision.

An extraordinary General Meeting of Shareholders must be held:

not later than 45 (forty-five) days from the date of taking a decision by the Supervisory Board to call and hold such Meeting where its agenda includes the matter of electing members of the Supervisory Board and/or members of the Audit Committee; or

not later than 30 (thirty) days from the date of taking a decision by the Supervisory Board to call and hold such Meeting where its agenda does not include the matter of electing members of the Supervisory Board and/or members of the Audit Committee.

Should no decision to call and hold an extraordinary General Meeting of Shareholders be taken or no refusal to call and hold it be issued by the Supervisory Board within the time-frame set by Clause 4 of this section, such extraordinary General Meeting of Shareholders may be called by any other body or shareholders (a shareholder) of the Bank empowered to demand holding an extraordinary General Meeting of Shareholders.

6. Resolution of the Supervisory Board to hold the General Meeting of Shareholders must contain such details and particulars as stipulated by the law and these Articles, and may also contain such other particulars as deemed appropriate.

7. The right to participate in the General Meeting of Shareholders shall be granted to the shareholders of the Bank or their duly authorized representatives and also other persons that have acquired such right on such grounds as prescribed by the law.

The list of persons entitled to participate in the General Meeting of Shareholders shall be drawn up in compliance with provisions of the law on the basis of the Register of Shareholders of the Bank effective on the date set by the Supervisory Board in its resolution to hold such Meeting.

8. Proposals for the agenda of the General Meeting of Shareholders and also for the nomination of candidates to the Supervisory Board and the Audit Committee may be made by shareholders (a shareholder) possessing in the aggregate 2 (two) per cent or more of the voting shares in the Bank.

Any proposal for the agenda of the General Meeting of Shareholders must be submitted in writing and contain such details and particulars as prescribed by the law, and also contain information about the place of residence (location) of the person submitting such proposal.

Any proposal for nominating candidates to the Supervisory Board and/or the Audit Committee must also contain the name of a body of the Bank to which such candidates are nominated, consent of each such candidate included in the nomination proposal to be included on the agenda, and the following data re each such candidate (both the consent and the data must be certified by such candidate's autograph signature):

name, date of birth and place of residence;

particulars of his/her identification document;

education and specialization;

place of employment and position held as at the date of submitting the proposal and during the previous 3 (three) years;

information about affiliation with the Bank and the list of persons the candidate is affiliated with as well as the basis for such affiliation (with regard to candidates nominated for the election to the Supervisory Board); and

evidence of consistency of the candidate's professional skills with the specified qualifications and/or business

reputation requirements (with regard to candidates nominated for the election to the Supervisory Board).

Such proposal must be signed by the submitter and may be delivered to the Bank by regular mail, hand delivery service or by telecommunication means duplicated by a mandatory delivery (mail dispatch) of the original document. Where such proposal is signed by a shareholder's proxy, such proposal must be accompanied by a copy of the relevant proxy document.

Proposals for the agenda of an annual General Meeting of Shareholders including those nominating candidates to the Supervisory Board and the Audit Committee to be elected thereat must be received by the Bank not later than 30 (thirty) days from the close of the reporting year.

Proposals for the agenda of an extraordinary General Meeting of Shareholders including the matter of electing members of the Supervisory Board and/or members of the Audit Committee must be received by the Bank not later than 20 (twenty) days prior to the date of holding such Meeting.

Not later than 10 (ten) days after the deadline set for the submission of proposals for the agenda, the Supervisory Board shall be obligated to review such proposals and decide whether to accept or refuse to accept same as laid down by the law. In the event of a refusal to accept any proposal, the Supervisory Board shall serve on the submitter of such proposal a reasoned decision on refusal in writing not later than 5 (five) days from the date of taking such decision by means of telecommunication services, regular mail or by hand delivery.

In addition to matters submitted by persons entitled to submit proposals for the agenda of the General Meeting of Shareholders, and also in the event of the absence of such proposals, or absence or inadequate number of candidates nominated by such persons for the formation of the Supervisory Board and/or the Audit Committee, the Supervisory Board may, in its sole discretion, put on the agenda of such Meeting any matters and candidates subject to their consent received in a manner prescribed by a local act of the Bank approved by the General Meeting of Shareholders.

9. All persons entitled to participate in the General Meeting of Shareholders shall be notified of a decision to hold same:

not later than 30 (thirty) days before the date of holding an annual General Meeting of Shareholders and the date of holding an extraordinary General Meeting of Shareholders where the agenda of such Meetings includes the matter of electing members of the Supervisory Board and/or members of the Audit Committee; and

not later than 10 (ten) days before the date of holding an adjourned General Meeting of Shareholders and before the date of holding an extraordinary General Meeting of Shareholders where the agenda of such Meetings does not include the matter of electing members of the Supervisory Board and/or members of the Audit Committee.

Notice of holding the General Meeting of Shareholders shall contain details and particulars prescribed by the law and be published by the Bank within the time-frame set in Clause 1 of this section in the *Sovietskaya Belorussiya* newspaper and/or placed on the Bank's official Internet site and also served in writing on each of the shareholders holding more than 1 (one) per cent of the voting shares and to bodies of state authority (organizations) empowered to manage shares in the Bank held by the State by means of telecommunication services, regular mail or by hand delivery.

In the event of taking a decision to modify the agenda of the General Meeting of Shareholders adopted at the time of resolving to call and hold it, the Supervisory Board shall be obligated to notify thereof all persons entitled to participate in such Meeting not later than 5 (five) days before the date of its holding in a manner established thereby.

10. Counting and tabulation commission of 5 (five) persons shall be set up to determine whether a quorum is present and to count votes when adopting resolutions on matters on the agenda of the General Meeting of Shareholders. The personal composition of the counting and tabulation commission shall be approved by the General Meeting of Shareholders on a proposal submitted by the Supervisory Board for a period until signing the minutes by the next-held annual General Meeting of Shareholders. Members of the bodies of the Bank and nominees for election to the bodies of the Bank shall not be eligible for membership in the counting and tabulation commission.

To organize their work, the members of the counting and tabulation commission shall elect chairperson (and if necessary also deputy chairperson) and secretary of the counting and tabulation commission. Chairperson, deputy chairperson and secretary of the accounting and tabulation commission shall be elected from among its members by a majority vote of the total number of members of the accounting and tabulation commission.



The counting and tabulation commission shall confirm whether a quorum is present, provide guidance on any matters arising in connection with exercising the right to participate in the Meeting by persons entitled to such right, explain voting procedures with regard to matters put to vote, oversee compliance with established voting procedures and implementation by such persons of their right to participate in the voting, count votes cast and tabulate vote results, draw up minutes on the vote count and pass same and ballots for filing with the Bank's records repository.

The minutes of the counting and tabulation commission shall be read out at a General Meeting of Shareholders held by attendance in person or in a combined mode and thereafter attached to the minutes of the Meeting, they shall not require approval by a special resolution of the Meeting.

The counting and tabulation commission shall be deemed duly constituted if no fewer than 3 (three) members thereof take part in its work (have reported for the discharge of their duties).

The Supervisory Board may at any time approve a new personal composition of the counting and tabulation commission, whereas the General Meeting of Shareholders may do same at the suggestion of the Supervisory Board.

11. Registration of participants in the General Meeting of Shareholders to be held by attendance in person or in a combined mode shall be performed by the accounting and tabulation commission jointly with a registration team appointed from among the Bank's employees by the Chairperson of the Management Board.

Registration of participants in the General Meeting of Shareholders shall be based on the list of persons entitled to participate in the General Meeting of Shareholders upon presentment of identification documents (in case of shareholders' representatives – also documents confirming their authority).

Any persons that shall have failed to be registered shall not be eligible to participate in voting.

12. Any persons duly registered to participate in the General Meeting of Shareholders and/or any persons whose completed correspondence voting ballots shall have been received not later than the deadline set for receiving such ballots shall be deemed as having participated in the General Meeting of Shareholders.

The General Meeting of Shareholders shall be deemed duly constituted (in quorum) if its participants hold in the aggregate more than 50 (fifty) per cent of the total number of votes of the shareholders of the Bank unless a different number of votes is prescribed by the law and/or these Articles for a quorum to be present. In the absence of the required quorum the annual General Meeting of Shareholders must be nonetheless held whereas the extraordinary General Meeting of Shareholders may be re-convened with the same agenda. The General Meeting of Shareholders so re-convened shall be in quorum if its participants hold in the aggregate more than 30 (thirty) per cent of the total number of votes of the shareholders of the Bank.

Votes represented by correspondence voting ballots received by the Bank within the established time-frame shall be counted in when determining whether the General Meeting of Shareholders held in a correspondence voting mode or in a combined mode is in quorum.

13. The General Meeting of Shareholders held by attendance in person or in a combined mode shall be called to order and presided over by the Chairperson of the Supervisory Board or his/her deputy or such other person as appointed by the Supervisory Board.

The minutes of the General Meeting of Shareholders held by attendance in person or in a combined mode shall be recorded by the Meeting Secretary appointed by the Supervisory Board.

14. Voting at the General Meeting of Shareholders shall be conducted by means of voting ballots.

Participants in the General Meeting of Shareholders to be held by attendance in person shall be issued voting ballots along with a participant's card against their signature at the time of registration.

Correspondence voting ballots shall be issued to persons entitled to participate in the General Meeting of Shareholders against their signature at the offices of the Bank and its branches in a manner set forth in the notice of holding the Meeting, and to each shareholder holding more than 1 (one) per cent of voting shares and bodies of state authority (organizations) authorized to manage shares in the Bank held by the State by

telecommunications means, regular mail or by hand delivery together with the notice of holding the General Meeting of Shareholders.

Voting at the General Meeting of Shareholders shall be based on the principle of 'one voting share – one vote', excepting the conduct of cumulative voting to elect members of the Supervisory Board and members of the Audit Committee. Voting shares shall be ordinary (common) shares in the Bank and also preferred shares where so stipulated by the law.

With regard to each item on the agenda of the General Meeting of Shareholders the draft of a resolution submitted by the Supervisory Board (bodies or shareholders (shareholder) of the Bank where they call the Meeting in cases set forth by the law and these Articles) shall be first to be put to vote.

15. Resolutions of the General Meeting of Shareholders shall be adopted by a simple majority of votes cast (more than 50 (fifty) per cent) by persons taking part in that Meeting save where otherwise prescribed by the law and these Articles.

A majority of not less than 3/4 (three-fourths) of the votes cast by persons participating in the General Meeting of Shareholders shall be required to pass a resolution on matters of:

- (1) altering and/or amending the Articles of Association of the Bank;
- (2) decreasing or increasing the Authorized Capital of the Bank (other than increasing the Authorized Capital by raising the par value of shares using the shareholders' funds);
- (3) reorganizing and liquidating the Bank;
- (4) repurchasing by the Bank of its allotted shares by a decision of the Bank itself;
- (5) approving local acts of the Bank where so prescribed by the corporate law about:
  - procedures of preparing, calling and holding the General Meeting of Shareholders;
  - the Supervisory Board, the Audit Committee, and procedures of receiving consent from candidates to the inclusion on the agenda of a proposal about their nomination for election to these bodies;
  - procedures of declaring and distributing dividends; and
  - procedures of implementing shareholder pre-emptive right to additional shares issued by the Bank;
- (6) empowering shareholders (a shareholder) to file a suit to recover through legal proceedings, where so prescribed by the corporate law, losses inflicted on the Bank by members of its bodies.

Any resolution of the General Meeting of Shareholders to increase the Authorized Capital of the Bank by raising the par value of shares using the shareholders' funds shall require a unanimous approval by all shareholders of the Bank.

Any resolutions of the General Meeting of Shareholders with regard to a transaction where its related parties have a stake, and also a material transaction of the Bank shall be carried by a majority vote as set forth in Article 12 hereof.

Any resolutions of the General Meeting of Shareholders with regard to the election of members of the Supervisory Board and the election of the members of the Audit Committee shall be carried by a cumulative vote. Candidates that shall have collected the largest aggregate number of votes shall be deemed elected to the said bodies of the Bank.

16. In any vote count based on voting ballots, only votes cast on matters where a voter (Meeting participant) shall have complied with the procedure of voting (completing the voting ballot) according to the voting ballot shall be counted in. When holding a vote on any matters on the agenda (other than voting to elect members of the Supervisory Board and members of the Audit Committee), only one voting option must be marked. Any voting ballot shall be deemed invalid in case of breach of the voting order.

Any voting ballot completed in violation of provisions of the law shall be deemed invalid.

17. Any resolution adopted by the General Meeting of Shareholders held by attendance in person or in a combined mode shall be announced thereat.

The General Meeting of Shareholders may be declared concluded only after all items on the agenda thereof shall have been transacted.

Minutes of the General Meeting of Shareholders shall be compiled not later than 5 (five) days after its conclusion.

Unless otherwise prescribed by the law, these Articles or local acts of the Bank, resolutions approved by the relevant Meeting shall be made known to shareholders and other interested parties by their placement on the Bank's official Internet site not later than 10 (ten) days after signing the minutes of that General Meeting of Shareholders.

Shareholders and any other interested parties may inform themselves of resolutions of the General Meeting of Shareholders or obtain copies thereof in a manner prescribed by the law and Article 13 hereof.

18. In the event of holding the General Meeting of Shareholders in a correspondence voting mode, on the date of vote count set by a resolution of the Supervisory Board to hold the General Meeting of Shareholders in a correspondence voting mode and shown in correspondence voting ballots, the counting and tabulation commission shall determine whether a quorum is present on the basis of the list of persons entitled to participate in the General Meeting of Shareholders and correspondence voting ballots received by the Bank, and thereafter shall count votes and tabulate vote results. The minutes of the counting and tabulation commission on the results of correspondence voting and relevant correspondence voting ballots shall be passed over for deposition with the Bank's records repository.

The minutes of the General Meeting of Shareholders shall be drawn up based on the minutes of the counting and tabulation commission on the results of correspondence voting and signed (with initialling every page thereof including all resolutions attached thereto) by the Meeting Chairperson whose functions shall be discharged by the Supervisory Board Chairperson (or such other person in accordance with these Articles) and no fewer than 2 (two) members of the counting and tabulation commission.

19. Where the General Meeting of Shareholders is called by any other body or shareholders (a shareholder) of the Bank entitled to demand holding an extraordinary General Meeting of Shareholders, they shall be vested with the relevant powers of the Supervisory Board and shall take any such measures requisite to prepare, call and hold the General Meeting of Shareholders as defined by the law, these Articles and other local acts of the Bank.

20. Where the law and these Articles are silent, any further requirements with regard to preparing, calling and holding the General Meeting of Shareholders, particularities of holding Meetings in a correspondence voting or combined mode, and procedures governing the counting and tabulation commission, shall be regulated by a local act of the Bank approved by the General Meeting of Shareholders.

## **Article 9. Supervisory Board**

1. The General Meeting of Shareholders shall elect the Supervisory Board composed of 11 (eleven) persons to exercise general management of the business and affairs of the Bank.

Professional skills of the members of the Supervisory Board and candidates nominated for the election to the Supervisory Board shall be in consistency with the relevant qualifications and/or business reputation requirements prescribed by the law. The Supervisory Board shall include at least 3 (three) independent directors.

Members of the Supervisory Board shall be elected for a period until election by the next-held General Meeting of Shareholders of a new body of the Supervisory Board. Members of the Supervisory Board shall be elected by a cumulative vote.

2. The Supervisory Board shall have powers to:

(1) determine development strategies and key lines of business of the Bank, approve the Bank's development strategy

and current (financial and business) plan and supervise their implementation;

(2) call the General Meeting of Shareholders and resolve any matters pertaining to its preparation and holding;

(3) elect members of the Management Board, including the Chairperson and Deputy Chairpersons, and terminate their powers prior to the expiration of their term of office; set forth the compensation, emoluments and (or) remuneration conditions applicable to members of the Management Board, including, *inter alia*, considering the fulfilment of the Management Board members' key performance indicators and determining the amount of annual emoluments or bonuses for the members of the Management Board with due regard to the legislation;

(4) impose disciplinary penalty on members of the Management Board, impose pecuniary liability, including, *inter alia*, decision-making on recovering damage inflicted by members of the Management Board through legal proceedings;

(5) decide on the issue (additional issue) of issue-grade securities by the Bank excepting the issue of shares;

(6) approve resolutions on the issue (additional issue) of issue-grade securities by the Bank excepting approving share issues;

(7) decide on the purchase by the Bank of the Bank's securities excepting making decisions on shares purchase;

(8) decide on material transactions of the Bank and transactions where related parties have a stake pursuant to Article 12 hereof;

(9) approve valuation appraisals of the Bank's properties in the event of effecting a material transaction or a transaction where related parties have a stake, or in the event of issue of securities and also in other cases defined by the law and these Articles that necessitate appraisal of the value of the Bank's properties any deal with which shall require a resolution by the General Meeting of Shareholders or by the Supervisory Board;

(10) recommend the size of emoluments of the members of the Audit Committee and compensation of their expenses resulting from the discharge of their functions;

(11) recommend the size of dividends and the time-frame for their distribution;

(12) oversee the application of the reserve and other funds of the Bank set up subject to Section 4 of Article 6 hereof;

(13) decide on the creation (establishment) and closure of stand-alone units of the Bank and approve by-laws thereof; approve the functional structure of the Bank's head office at the level of stand-alone units and the amendments thereto;

(14) decide on the creation, reorganization and liquidation of unitary enterprises and establishments by the Bank, and on the increase or reduction of authorized funds thereof; decide on transactions that result in the disposal or a possibility of disposing by the Bank of unitary enterprises as property complexes;

(15) decide on the creation of other legal entities by the Bank, and also on the Bank's participation or termination of such participation therein, including taking a decision:

to make a contribution to the authorized fund of such other legal entity;

to purchase an interest in the authorized fund (shares) of such other legal entity;

to enter into a deal resulting in the disposal or a possibility of disposing by the Bank of its interest (portion of its interest) in the authorized fund (shares) of such other legal entity; and

to create non-commercial entities (in the form of associations comprised of bodies corporate and self-employed entrepreneurs, in other forms stipulated by the law) as well as to participate in and to terminate the Bank's participation in such entities;

(16) determine the position of the Bank (its representatives) with regard to the deliberations by the management bodies of subsidiaries and associated companies of the following items on the agenda of the general meetings of their participants and meetings of their boards of directors (supervisory boards):

increase or reduction of the charter capital of a subsidiary (associated company); and

liquidation or reorganization of a subsidiary (associated company);

(17) decide on creation of associations comprised of bodies corporate which are not bodies corporate and also on the Bank's participation or termination of such participation in such associations;

(18) choose and approve an audit firm and lay down substantial contractual terms and conditions for audit services with such audit firm (as proposed by the audit committee) except as otherwise provided by the law;

(19) approve terms and conditions with an appraiser;

(20) resolve matters of providing non-repayable (sponsorship) aid in accordance with legal acts;

(21) approve local acts of the Bank where so prescribed by the law, these Articles and local acts of the Bank approved by the General Meeting of Shareholders;

(22) resolve matters of recognizing losses from accounts receivable and investments to authorized funds of legal entities (save debts to be written off in accordance with the law and local acts of the Bank by applying specially set provisions), fixed and intangible assets beyond repair (with respect to their depreciated cost) in amounts exceeding an equivalent of 10,000 (ten thousand) base values; and

(23) ensure the functioning of the Bank's corporate management, the efficient operation of the risk management system, the internal control system and the emoluments and remuneration system pursuant to provisions of the law, and preclude any conflict of interest or any prerequisites therefor in the operation of the Bank, including, *inter alia*:

determining corporate values, principles of professional ethics, the Bank's policy with reference to conflict of interests, the Bank's personnel policy, including personnel appointment and succession policy, the Bank's incentive policy, including remuneration and emoluments, the approval of local by-laws setting forth the emoluments and remuneration system and the procedures for the application thereof across the Bank;

adopting local acts setting forth the Bank's internal control strategy as well as risk management strategy, determining the Bank's risk tolerance, and adopting the list of the employees who assume risks;

assessing the efficiency of the Supervisory Board as well as its members and carrying out an internal assessment of the efficiency of the Management Board on a yearly basis;

setting limits to operations and other activities, decisions with respect to which are taken by the Management Board and (or) the Bank's head;

taking control over non-concessional banking operations with insiders and related parties;

determining the emoluments and (or) remuneration conditions applicable to the Chief Accountant and other employees of the Bank, who are included in the list of the employees who assume risks, as well as to the head of the internal control service;

(24) decide on the restructuring of debt under loan agreements, a method (methods) of its implementation, and debt relief under loan agreements pursuant to legal acts.

The Supervisory Board shall receive reports from the internal audit service, the executive officer accountable for the Bank's risk management and the executive officer accountable for the Bank's internal controls, and the Supervisory Board shall carry out the following functions:

establishing requirements with regard to qualification and business reputation of the head of the Bank's internal control service, the executive officer accountable for the Bank's risk management as well as the executive officer accountable for the Bank's internal controls, and controlling their compliance with the applicable requirements. The head of the internal audit service, the executive officer accountable for the Bank's risk management and the executive officer accountable for the Bank's internal controls shall be appointed to, and dismissed from, the relevant position with the consent of the Supervisory Board.

reviewing and approving reports from the internal audit service on a regular basis, reviewing reports from the executive officer accountable for the Bank's risk management and the executive officer accountable for the Bank's internal

controls on a regular basis;

approving the budget and plan of operation of the internal audit service; and

determining the remuneration conditions applicable to the head and employees of the internal audit service, the executive officer accountable for risk management across the Bank and the executive officer accountable for internal controls of the Bank, the emoluments and (or) remuneration conditions applicable to the head of the internal audit service, the executive officer accountable for risk management across the Bank and the executive officer accountable for internal controls of the Bank.

Resolutions of the General Meeting of Shareholders may determine specific powers of the Supervisory Board within the terms of its reference stipulated by these Articles. No matter within the exclusive powers of the General Meeting of Shareholders shall be delegated for inclusion in the terms of reference of the Supervisory Board.

No matter within the powers of the Supervisory Board may be delegated by the Supervisory Board for resolution by the Management Board unless otherwise determined by the President of the Republic of Belarus.

3. Members of the Supervisory Board shall be:

obliged to comply with the law, these Articles and local acts of the Bank while exercising their powers;

obliged to participate in the activities of the Supervisory Board and any committees instituted by the Supervisory Board members of which they have been elected;

entitled to call meetings of the Supervisory Board, submit proposals thereat on any matter for consideration and participate in the resolution thereof in a voting capacity unless otherwise prescribed by the law and these Articles;

obliged to form a competent reasonable opinion of their own in respect of matters to be resolved regardless of opinions of other members of the Supervisory Board, Management Board or employees of the Bank;

entitled to request and receive any information and documents from the Audit Committee, Management Board, Chairman of the Management Board and his/her Deputies, Chief Accountant of the Bank that are required to discharge their functions;

obliged not to commit (or omit) any act that is capable of damaging the interests of the Bank, nor obstruct the Bank's activities by their action (or omission); and

entitled to exercise other rights and obliged to perform other obligations prescribed by the law, these Articles and local acts of the Bank.

Members of the Supervisory Board that are independent directors are obliged in a timely fashion to furnish information to the Supervisory Board and Management Board regarding any circumstances due to which they cease to be independent or which may affect their exercise of powers.

4. In order to organize their work, members of the Supervisory Board shall elect Chairperson and, if need be, Deputy Chairperson/s of the Supervisory Board. The Supervisory Board may, at any time, elect a new Chairperson and/or his/her Deputy/ies.

The Chairperson of the Supervisory Board shall:

(1) organize the work of the Supervisory Board, approve the agenda and call meetings of the Supervisory Board (conduct a poll of its members), preside over such meetings with the right to a casting vote in the event of equality of votes, cause minutes of meetings of the Supervisory Board to be taken, sign such minutes of Supervisory Board meetings (polls of its members);

(2) preside over the General Meeting of Shareholders unless otherwise prescribed by the law and these Articles;

(3) sign employment agreements (contracts) with the members of the Management Board on behalf of the Bank;

(4) be empowered to attend or instruct other members (member) of the Supervisory Board to attend meetings of the Management Board and submit proposals on matters deliberated thereat in a non-voting capacity when

such matters are put to vote; and

(5) perform other functions prescribed by these Articles and other local acts of the Bank.

In the absence of the Chairperson of the Supervisory Board his/her powers shall be exercised by his/her Deputy (one of the Deputies so empowered by the Chairperson of the Supervisory Board).

5. Meetings of the Supervisory Board of the Bank shall be held as often as its business may require but not less than once every quarter.

Meetings of the Supervisory Board shall be called by the Chairperson of the Supervisory Board on his own initiative, or if requested by any member of the Supervisory Board, the Audit Committee, the Management Board, other persons as provided by the corporate law. Its meeting may be called directly by the members of the Supervisory Board or other bodies of the Bank that shall have requested the meeting to be called if that has not been done by the Chairperson of the Supervisory Board within 5 (five) days from receiving their written request for calling such meeting of the Supervisory Board.

Members of the Supervisory Board must be notified of any meeting of the Supervisory Board not later than 7 (seven) days prior to the date of its holding unless otherwise prescribed by a local act of the Bank approved by the General Meeting of Shareholders. A written notice specifying the agenda, date, time and place of the meeting together with resolution drafts and other documents regarding the agenda shall be delivered to the members of the Supervisory Board by telecommunication means, regular mail or by hand.

Supervisory Board meetings shall be deemed competent if attended by not fewer than 7 (seven) members of the Supervisory Board. In determining the quorum and conducting the vote count, the opinion in writing (vote) of a member of the Supervisory Board absent at its meeting shall be counted in if submitted prior to the commencement of such meeting.

Resolutions of the Supervisory Board may be passed by polling its members in a manner prescribed by a local act of the Bank approved by the General Meeting of Shareholders.

6. The Supervisory Board shall adopt resolutions on:

empowering members (a member) of the Supervisory Board to file relevant suits to recover losses inflicted on the Bank by members of its bodies through legal proceedings, where so prescribed by the corporate law, by a majority of not less than  $\frac{2}{3}$  (two-thirds) of the votes of all the members of the Supervisory Board;

empowering members (a member) of the Supervisory Board to file relevant suits to recover through legal proceedings, where so prescribed by the corporate law, losses inflicted on the Bank as a result of a transaction, in which its related parties are interested, by a majority of not less than  $\frac{2}{3}$  (two-thirds) of the votes of all the members of the Supervisory Board not interested in such transaction;

electing Chairman of the Supervisory Board and his/her Deputies by a majority vote of all the members of the Supervisory Board;

the Bank's transactions where its related parties have a stake and the Bank's material transactions by a majority vote as stated in Article 12 hereof; and

other matters by a majority vote of the members of the Supervisory Board present at its relevant meeting, and where resolutions are put to vote by a polling method – by the majority of votes of the members of the Supervisory Board participating in such poll (always provided that no fewer than 7 (seven) members of the Supervisory Board shall have taken part therein).

In voting on any Supervisory Board resolution each member thereof shall have one vote. In the event of equality of votes a resolution shall be deemed to have been carried if voted for by the Chairperson of the Supervisory Board (or a person acting in his/her stead).

No transfer of powers, inclusive of the voting right, by a member of the Supervisory Board to any person, including any other member of the Supervisory Board, shall be permitted.

Resolutions of the Supervisory Board and results of polling the members of the Supervisory Board shall be

recorded in its minutes.

7. Powers of a member (members) of the Supervisory Board may be terminated prior to the expiration of their term of office:

by a resolution of the General Meeting of Shareholders. Such resolution by the General Meeting of Shareholders to terminate the powers of the members of the Supervisory Board before term may be adopted only in respect of the entire body of the Supervisory Board. Should the General Meeting of Shareholders resolve to terminate the powers of the members of the Supervisory Board before term, that General Meeting of Shareholders must elect a new body of the Supervisory Board; and

without a relevant resolution of the General Meeting of Shareholders on account of retirement of any member from the Supervisory Board where so provided by the law. In the event of retirement of any Supervisory Board member (members), the Supervisory Board shall continue to discharge its functions until the election of a new body of the Supervisory Board unless otherwise prescribed by the law.

8. Whilst discharging their functions, the Supervisory Board members shall be paid emoluments and/or compensation for their expenses in a manner and amount established by the General Meeting of Shareholders.

9. Where these Articles are silent, procedures regulating the work of the Supervisory Board including procedures of preparing, calling and holding meetings of the Supervisory Board and adopting resolutions thereof, and requirements applicable to qualifications, professional and other skills of the candidates nominated to be elected to the Supervisory Board shall be governed by a local act of the Bank approved by the General Meeting of Shareholders.

10. The Supervisory Board may institute permanent or temporary committees with the aim of performing preliminary research on any matters to be resolved.

The Supervisory Board shall institute an audit committee to manage and supervise the operation of the Bank's internal control system and internal audit service as well as choose and collaborate with audit firms, the risk management committee and the remuneration committee, which shall be headed by independent directors.

The terms of reference, procedure of institution and cooperation with the Bank's governing bodies and control units, rights and obligations of the committees and the number of their employees shall be determined by the Supervisory Board.

## **Article 10. Management Board**

1. The Management Board of the Bank shall be the collegiate executive body of the Bank and shall manage day-to-day business and affairs of the Bank.

The Management Board shall be accountable to the General Meeting of Shareholders and to the Supervisory Board and shall organize the implementation of resolutions passed by these bodies.

2. The powers of the Management Board shall encompass all matters that do not fall within the scope of exclusive powers of the General Meeting of Shareholders and the Supervisory Board defined by the law and these Articles. The Management Board shall organize a risk management system, an internal control system and an emoluments and remuneration system and ensure the accomplishment of the Bank's goals and aims set forth by the Supervisory Board.

The Management Board shall also review, in a preliminary manner, all matters that are to be transacted by the Supervisory Board, prepare relevant materials and proposals with regard thereto save as otherwise prescribed by, or arising out of, the law, these Articles and other local acts of the Bank.

The powers of the Management Board may not be delegated by the Bank to another commercial organization or self-employed entrepreneur (manager) under any agreement.



3. Members of the Management Board shall be elected by the Supervisory Board for a term of not less than 1 (one) year and not more than 3 (three) years in a manner prescribed by the law and these Articles. The elected Management Board shall be composed of 7 (seven) persons and include the Chairperson of the Management Board, Deputy Chairpersons one of whom may be the First Deputy Chairperson, and other members of the Management Board.

Professional skills of the Chairperson of the Management Board, Deputy Chairpersons and other members of the Management Board as well as candidates for the specified positions shall be in consistency with the relevant qualifications and business reputation requirements prescribed by the law.

No member of the Management Board may serve concurrently on the Supervisory Board or the Audit Committee. The Chairperson of the Management Board shall be eligible to attend meetings of the Supervisory Board and submit proposals thereat on any matter for consideration in a non-voting capacity when a resolution thereon is put to vote.

4. Powers and obligations of the members of the Management Board shall be governed by the law, these Articles, and also employment agreements (contracts) entered into by each of such persons with the Bank. Such employment agreements (contracts) shall be entered into and signed on behalf of the Bank by the Chairperson of the Supervisory Board or any other authorized member of the Supervisory Board.

Members of the Management Board shall be:

obliged to comply with the law, these Articles and local acts of the Bank as well as employment agreements (contracts) concluded with the Bank while discharging their functions;

obliged to participate in the activities of the Management Board, timely and expertly resolve matters put on the agenda of meetings of the Management Board for consideration and resolutions;

entitled to call meetings of the Management Board, submit proposals thereat on any matter for consideration and participate in their resolution in a voting capacity unless otherwise prescribed by the law and local acts of the Bank;

obliged to form a competent reasonable opinion of their own in respect of matters to be resolved regardless of opinions of other members of the Management Board or employees of the Bank;

entitled to request and receive any information and documents from heads of units and other executive officers of the Bank that are required to discharge their functions;

obliged not to commit (or omit) any act that is capable of damaging the interests of the Bank, nor obstruct the Bank's activities by their action (or omission);

not employed in other commercial organizations, receive emoluments from other organizations and individuals or utilize services and privileges offered by such organizations and individuals for their own benefit while discharging their functions; and

entitled to exercise other rights and obliged to perform other obligations prescribed by the law, these Articles, local acts of the Bank and employment agreements (contracts) concluded with the Bank.

Special labour regulations laid down by the labour law in regard to chief executive officers of organizations shall apply to the members of the Management Board.

Members of the Management Board may, in their capacity of the Bank's representatives, take part in the management of legal entities where the Bank acts as a participant therein or an owner of the assets thereof.

5. The Supervisory Board may at any time terminate the term of office of any member (some of the members) of the Management Board or the entire body of the Management Board on the grounds prescribed by the law.

In the event that a member of the Management Board shall have resigned, retired or been removed due to an early termination of his/her term of office by a resolution of the Supervisory Board, the Supervisory Board shall elect instead a new member of the Management Board. In the event of resolving to terminate the term of office of the entire body of the Management Board, the Supervisory Board shall elect a new body of the

Management Board in accordance with Clause 3 of this Article.

6. Decisions of the Management Board shall be taken at its meetings and recorded in its minutes.

The Management Board shall hold its meetings as often as its business requires but not less than 2 (two) times a month. The Management Board shall be competent to take any decisions if its meeting is attended by not fewer than 4 (four) members of the Management Board with a mandatory attendance by the Chairperson of the Management Board or a person acting in his/her stead.

The Management Board shall pass its resolutions by a simple majority vote of its members present at its meeting. In the event of the equality of votes a resolution shall be deemed carried if voted for by the Chairperson of the Management Board (a designated person acting in his/her stead). In the event of a disagreement with any resolution adopted by the Management Board, a member of the Management Board may report his/her opinion to the Supervisory Board.

No transfer of powers, inclusive of the voting right, by a member of the Management Board to any person, including any other member of the Management Board, shall be permitted.

Resolutions of the Management Board shall be binding upon all employees and units of the Bank.

Minutes of the Management Board meetings shall be released to the General Meeting of Shareholders, the Supervisory Board and the Audit Committee on request.

7. In order to develop and implement the Bank's policy with regard to its main lines of business, the Management Board may set up intra-bank collegiate bodies (committees, commissions). Such intra-bank collegiate bodies shall operate on the basis of local acts of the Bank approved by the Management Board.

8. The Chairperson of the Management Board shall be the chief executive officer of the Bank, and within his/her terms of reference shall be empowered to issue instructions binding upon the Bank and bear personal responsibility for the implementation of the goals and objectives pursued by the Bank.

The Chairperson of the Management Board shall:

(1) organize execution of resolutions of the governing bodies of the Bank;

(2) act on behalf of the Bank without proxy, *viz.:*

represent the Bank's interests before all bodies of state authority, organizations and agencies, legal and natural persons;

enter into deals on behalf of the Bank, and sign agreements to which the Bank is a party;

manage the Bank's business and affairs, and represent its interests before all courts with all such rights and entitlements as vested by the law in the claimant, suitor, respondent, third party, judgment creditor, debtor, other party interested in the outcome of a proceeding, and a party to administrative proceedings;

(3) manage the activities of the Management Board, call its meetings and preside thereat with the power of a casting vote in the event of an equality of votes, and also sign minutes of Management Board meetings and local acts of the Bank adopted by the Management Board;

(4) propose to the Supervisory Board candidacies for election to the Management Board, including candidacies for election (appointment) to the positions of Deputy Chairpersons of the Management Board;

(5) allocate duties and also define the scope of powers and responsibilities among Deputy Chairpersons of the Management Board, and other Management Board members;

(6) have the first signing right with regard to financial documents and, within his/her terms of reference, administer the Bank's properties, issue and cancel powers of attorney on behalf of the Bank;

(7) approve the personnel arrangements of the Bank and alterations thereto, by-laws on structural units and the head office of the Bank;

(8) employ and discharge the Bank's employees in a manner prescribed by the law, these Articles and local acts of the Bank, enter into, and terminate, agreements (contracts) of employment with them, fix employee salaries and wages (rates of remuneration) and apply labour inducements, issue disciplinary reprimands and impose financial penalties;

(9) present to the Management Board candidacies for appointment to positions of chief executive officers of the Bank's unitary enterprises and establishments; sign on behalf of such unitary enterprises and establishments agreements (contracts) of employment with their chief executive officers;

(10) issue orders (directives) and instructions, approve, within the scope of his/her authority, technical, technological and other local acts, binding upon all of the Bank's employees and units;

(11) implement instructions of the governing bodies of the Bank; and

(12) discharge other functions of the chief executive officer defined by the law, these Articles and other local acts of the Bank, and also by his/her agreement (contract) of employment entered into with the Bank.

The Chairperson of the Management Board may entrust resolution of certain matters within the scope of his/her powers to his/her Deputies and other executive officers of the Bank.

In the absence of the Chairperson of the Management Board his/her powers shall be exercised by one of his/her Deputies on the basis of an order (directive) of the Chairperson of the Management Board.

9. Where these Articles are silent, the procedures of the Management Board shall be governed by local acts of the Bank approved by the Supervisory Board.

#### **Article 11. Supervision of Financial and Business Operations of the Bank. Internal Controls of the Bank**

1. In order to exercise internal supervision over financial and business operations of the Bank, the General Meeting of Shareholders shall elect the Audit Committee of 4 (four) persons.

Members of the Audit Committee shall be elected for a period until election by the next-held general Meeting of Shareholders of a new body of the Audit Committee. The Audit Committee members shall be elected by a cumulative vote.

Neither member of the Supervisory Board and the Management Board, nor former members of the said governing bodies of the Bank shall be the member of the Audit Committee until the expiration of one year from terminating their membership in the said bodies.

The Audit Committee shall be presided over by its Chairperson elected from among its members by a majority vote of the total body of the Audit Committee. The Chairperson of the Audit Committee shall organize its work, including, *inter alia*, convening and holding meetings of the Audit Committee, presiding as a chairperson thereat, being in charge of audits and inspections of the Audit Committee, and ensuring a report on the outcome of an audit or inspection. The Audit Committee Chairperson shall be eligible to attend meetings of the Supervisory Board and the Management Board and submit proposals thereat with regard to matters under consideration in a non-voting capacity when a resolution thereon is put to vote.

Powers and procedures of the Audit Committee not regulated herein, and the grounds for, and procedures of, an early termination of the duties of the Audit Committee members shall be governed by a local act of the Bank approved by the General Meeting of Shareholders.

2. The Audit Committee shall be empowered to conduct audits of all or several lines of business of the Bank or inspections of one or several interrelated lines of business operations or over a selected time period of such operations by the Bank and its stand-alone units.

3. The Audit Committee shall be obligated to conduct:

annual audits of the results of the financial and business operations of the Bank over a reporting year. Such annual audit must be completed not later than 40 (forty) days after the close of the relevant reporting year;

audits or inspections as resolved by the governing bodies of the Bank within time-frames specified thereby; and

audits or inspections on request in writing submitted to the Audit Committee or to the Supervisory Board by shareholders (a shareholder) holding in the aggregate 10 (ten) per cent or more shares in the Bank. In such case, audits or inspections must be commenced not later than 30 (thirty) days from the date of receiving such request from those shareholders (that shareholder).

The Audit Committee may, at any time, conduct an audit or inspection of the business of the Bank on its own initiative.

The duration of any such audit or inspection must not exceed 30 (thirty) days.

4. The Audit Committee shall draw up a report based on the results of its audit or inspection in a format prescribed by the law.

The report of the Audit Committee on the results of its annual audit shall be submitted to the General Meeting of Shareholders whilst approving the Bank's annual report, annual accounting (financial) reports and distribution of its profits and losses.

5. In the event of finding any irregularities, the Audit Committee shall be obligated to:

submit its report based on an audit or inspection conducted or report selected findings therefrom and table proposals to the governing bodies of the Bank that must take action within their scope of powers to rectify such irregularities within two weeks; or

request to call an extraordinary General Meeting of Shareholders where a resolution to rectify irregularities found in the course of such audit or inspection may be adopted solely by the General Meeting of Shareholders.

6. For the purpose of an audit of its annual accounting (financial) statements, the Bank shall annually engage an audit firm.

The audit report prepared on the basis of an audit of annual accounting (financial) reports of the Bank shall be submitted to the General Meeting of Shareholders whilst approving its annual report, annual accounting (financial) reports and profit and loss distribution.

The governing bodies of the Bank shall be obligated to take timely measures within their respective scope of powers to rectify breaches established during the conduct of such audit.

The Bank shall be obligated to publish the audit report prepared on the basis of an audit of the Bank's annual accounting (financial) reports in such cases and in such manner as prescribed by the law.

Audit of accounting (financial) reports of the Bank shall be conducted at the Bank's expense at any time in case of a request submitted by shareholders (a shareholder) holding in the aggregate 10 (ten) per cent or more shares in the Bank to the Supervisory Board which shall take necessary measures to carry out such audit. In such case the audit shall be commenced not later than 60 (sixty) days from the date of the submission of the request of shareholders (a shareholder) to carry out an audit.

7. In order to ensure its prudent and efficient operation, the Bank shall institute regular internal controls in accordance with provisions of the law.

Internal controls shall be exercised by the bodies of the Bank, review committee and intra-bank collegiate bodies within the scope of their powers, units and employees of the Bank at all levels, including the executive officer accountable for internal controls of the Bank, special AML/TFP/CFPWMD (anti-money laundering, terrorism financing prevention, combating of financing of proliferation of weapons of mass destruction) unit and internal audit service. Procedures for exercising internal controls by the Bank shall be governed by local acts of the Bank.

The Bank shall institute an internal audit service to get an independent and unbiased assessment of the quality and efficiency of internal control, risk management and corporate management systems that reports to the Supervisory Board and is subordinated directly to the Chairperson of the Management Board.

The structure of the internal audit service shall be approved by the Chairperson of the Management Board. The powers of the internal audit service shall be governed by local acts of the Bank. By-laws of the internal audit service and any alterations and amendments thereto shall be approved by the Supervisory Board.

## **Article 12. Transactions of the Bank**

1. Transactions (operations) of the Bank entailing credit risks shall be conducted within the limits set by the Supervisory Board where the value of such transaction or the total value of several related transactions shall be 15 (fifteen) percent of the regulatory capital of the Bank or more.

Transactions of the Bank resulting in the creation, acquisition, disposal or a possibility of disposal by the Bank, directly or indirectly, of immovable or other assets recognized as fixed assets (excepting assets earmarked for financial lease (leasing)), as well as intangible assets, shall be effected only subject to a resolution of the Supervisory Board or within such limits as established by the Supervisory Board if the value of a transaction or the total value of several related transactions exceeds 5 (five) per cent of the regulatory capital of the Bank.

The total value of transactions contemplated in this section shall mean:

with regard to advancing funds by the Bank by way of a loan – the value of such loan, and whilst by way of opening a credit line – the maximum limit of a borrower's aggregate debt at any one time;

with regard to transactions involving financial lease (leasing) of assets by the Bank – the contract value of an asset leased;

with regard to transactions resulting in the disposal or a possibility of disposal of assets or property rights – the residual value of assets, the total of book debt according to the Bank's accounting (financial) records, and the debt paper nominal value; and

with regard to other transactions (operations) – the sum total of the Bank's monetary obligations, the price of purchasing assets or property rights.

The sum total of related transactions (operations) entailing the Bank's exposure to credit risks shall include the amount of indebtedness of one borrower (a group of related borrowers) before the Bank with regard to assets exposed to credit risks and the credit equivalent of the Bank's off-balance obligations with respect to such borrower (such group of related borrowers). For the purpose of this Article, a borrower shall mean a person in respect of whom the Bank calculates the exposure to credit risks in compliance with the law in order to perform the financing of cash claim transfer (factoring transaction).

In the event of a disposal or a possibility of disposal of the Bank's assets, the value of such assets determined on the basis of the relevant accounting (financial) records is measured by comparing it with the size of the Bank's regulatory capital, whilst in the event of purchasing assets – the price of purchasing same.

Where any transaction (operation) contemplated herein is the Bank's transaction where its related parties have a stake or where it is a material transaction, resolution on any such transaction (operation) shall be passed with due regard to the provisions of Clauses 2 and 3 of this Article.

2. Any resolution on a transaction of the Bank recognized under the law as a transaction where related parties have a stake shall fall within the purview of the Supervisory Board irrespective of the value of the assets involved in such transaction and shall be adopted by a majority vote of all members of the Supervisory Board not interested in effecting such transaction (being independent directors). If the number of such independent directors within the body of the Supervisory Board is fewer than 7 (seven), such resolution on that transaction where related parties have a stake shall be passed by the General Meeting of Shareholders. The General Meeting of Shareholders shall resolve on whether to proceed with such transaction where the Bank's related parties have

a stake by a majority vote of the Bank's shareholders having no interest therein.

No resolution of the Supervisory Board or the General Meeting of Shareholders shall be required with regard to transactions to be effected by the Bank where its related parties have a stake where so determined by the law.

The Bank shall disclose information on transactions where its related parties have a stake by placing it on the Bank's official Internet site for public guidance as prescribed by the law.

The Bank shall maintain records of its related parties in a manner prescribed by a local act of the Bank approved by the Management Board.

3. A resolution with regard to effecting a transaction (several related transactions) by the Bank that is/are governed by the provisions of the corporate law on material transactions (resolution on a material transaction of the Bank) shall fall within the purview of the Supervisory Board and shall be carried if unanimously voted for by all the members of the Supervisory Board.

If the Supervisory Board fails to pass a unanimous resolution, or if the numerical composition of the Supervisory Board is fewer than 11 (eleven), such resolution on whether the Bank is to effect a material transaction shall be voted on by the General Meeting of Shareholders. The General Meeting of Shareholders shall resolve whether the Bank is to effect a material transaction where the value of the assets involved therein constitute:

from 20 (twenty) to 50 (fifty) per cent of the book value of the Bank's assets if voted for by not less than a majority of not less than  $\frac{2}{3}$  (two-thirds) of the total votes of persons that shall have taken part in the General Meeting of Shareholders;

from 50 (fifty) per cent and more of the book value of the Bank's assets if voted for by a majority of not less than  $\frac{3}{4}$  (three-quarters) of the total votes of the persons that shall have taken part in the General Meeting of Shareholders.

Any resolution on effecting a material transaction by the Bank shall contain such details and particulars as prescribed by the law.

4. For the purposes of Sections 1-3 of this Article, related transactions shall mean:

transactions providing for similar commitments undertaken by the Bank with one and the same party within one calendar month save such transactions as referred to in Paragraph 4 of this section;

transactions involving dissimilar items that can be used as an integrated whole by virtue of their intended application (a single property complex, compound products etc.); and

transactions exposing the Bank to credit risks effected with one and the same party or different parties viewed according to the banking law provisions and local acts of the Bank as the Bank's connected borrowers.

**Article 13. Accounting and Reporting, Documents of the Bank. Information about the Bank**

1. Accounting and other records of financial and business operations of the Bank and its stand-alone units, and accounting (financial), statistical and other reporting standards shall be caused to be set up and maintained by the Bank in accordance with the law and its accounting policies and procedures.

The operating year of the Bank shall coincide with the calendar year and run from 1 January through 31 December.

Annual accounting (financial) reports of the Bank shall be drawn up in such manner, volume and format as prescribed by the National Bank of the Republic of Belarus. The accuracy and fairness of statements contained in the Bank's annual accounting (financial) reports must be confirmed by the Audit Committee and an audit firm. Prior to being submitted to the General Meeting of Shareholders for approval, the annual accounting (financial) reports of the Bank shall be subject to a preliminary review by the Supervisory Board with due regard to the opinions by the Audit Committee and the audit firm.

Annually prior to 31 March of each year following the reporting year, the Bank shall approve accounting (financial) reports of its stand-alone units.

Responsibility for the organization, maintenance, and accuracy and fairness of accounting records and statements in the Bank, and timely submission of accounting (financial), statistical and other reports to the relevant bodies (organizations) of state authority shall rest with the Bank and the Management Board in accordance with the law and these Articles.

2. The Bank shall submit reports and other information about its operations to the National Bank of the Republic of Belarus and other bodies of state authority in such scope and manner and within such time-frame as prescribed by the law.

In the scope and manner prescribed by the National Bank of the Republic of Belarus, the Bank shall publish in print media outlets specified by the National Bank of the Republic of Belarus and post on its official Internet site reports about its operations and its annual accounting (financial) reports together with the auditor's report to be drawn up according to the results of such annual accounting (financial) reports.

In the scope and manner prescribed by the National Bank of the Republic of Belarus, the Bank shall publish in print media outlets specified by the National Bank of the Republic of Belarus and post on its official Internet site consolidated statements about the operations of the Bank's holding and annual consolidated statements together with the auditor's report confirming their accuracy.

3. The documents of the Bank shall be these Articles, local acts of the Bank; entitlement documents; annual reports, accounting records and accounting (financial) statements; statistical reports, minutes of the Bank's governing bodies, reports of the Audit Committee and audit firm, registers of shareholders of the Bank and lists drawn up on the basis of such registers; other documents prescribed by the law, these Articles and local acts of the Bank governing its activities, and also such other documents that are mandatory according to the law.

In the manner prescribed by the archival records law, the Bank shall be obligated to keep its documents at the office of the Management Board or at such other place as determined by legal acts.

4. In the scope and manner prescribed by the law, these Articles and local acts, the Bank shall make such information about its activities widely accessible through, *inter alia*, its placing in the common information resource of the securities market, publishing in the *Sovietskaya Belorussiya* and *Zvezda* newspapers, placing on the Bank's own premises, posting on its official Internet site and furnishing it to customers and other interested parties at their request.

Any information contained in the documents of the Bank shall be made available to its shareholders within 7 (seven) days from filing their request therefor. Shareholders may inform themselves of such information in the offices of the Bank and its units or receive same by mail or by telecommunication means. Shareholders (shareholder) holding in the aggregate 25 (twenty-five) per cent of the Bank's shares or more shall be entitled to access to accounting records and minutes of the Management Board meetings. The Bank may charge a fee for providing shareholders with information in the form of copies of documents that shall not exceed the cost of having them made and delivered.

Information about the conclusion of a shareholders' agreement, including information about the parties thereto and the number of shares belonging to such parties, shall be placed at the Bank's official web site.

Information about the Bank may be made available to a potential investor or any interested party on the basis of an agreement in an amount adequate for such party to take an informed decision whether to participate in the Bank or take other actions capable of influencing the results of the Bank's operations provided such parties shall maintain confidentiality of such information made available to them.

Responsibility for the timely presentation and accuracy and fairness of the information about the Bank made available or disclosed under the law and these Articles shall rest with the relevant officers of the Bank.

5. Any information that constitutes a banking, commercial and/or other law-protected secret under the law shall be provided (disclosed) by the Bank only where and when prescribed so by the law.

6. Where these Articles are silent, procedures for disclosing information on the Bank's activities, procedures for operation with information, which use, dissemination and/or provision is restricted, as well as procedures for the Bank's operation with confidential information shall be governed by local acts of the Bank, inclusive of the regulations on the Bank's operation with the register of owners of the Bank's securities, approved by the Management Board.

#### **Article 14. Reorganization and Liquidation of the Bank**

1. Reorganization of the Bank (its merger, incorporation, split-up, division and transformation) may be carried out subject to a resolution of the General Meeting of Shareholders, and, where so prescribed by legal acts, by a decision of authorized bodies of state authority, including courts of law.

Where so defined by legal acts, the reorganization of the Bank may be carried out only if authorized by the National Bank of the Republic of Belarus and/or consented to by other authorized bodies of state authority.

2. The Bank may be liquidated subject to a resolution of the General Meeting of Shareholders, on the basis of a decision of a court dealing with economic matters, in cases prescribed by the law.

The General Meeting of Shareholders, which has passed a resolution to liquidate the Bank, shall establish a liquidation committee (designate a liquidator), appoint its chairperson, allocate responsibilities between the chairperson and members of such liquidation committee (in case of establishing a liquidation committee), and set up the order and the time-frame for the liquidation of the Bank in accordance with the law.

From the day of establishing the liquidation committee (designating the liquidator), the powers with regard to the management of the affairs of the Bank, including, *inter alia*, the powers of the Bank's head, shall be vested therein. The liquidation committee (the liquidator) shall implement procedures of liquidating the Bank in accordance with the law.

3. The assets of the Bank remaining after the settlement with depositors and other creditors shall be distributed by the liquidation committee (the liquidator) among the shareholders of the Bank in the order of priority prescribed by the law.

Distribution of assets within the next line of priority shall proceed after assets have been distributed under the previous line of priority. If the Bank's assets are insufficient to pay dividends declared but unpaid, and to cover the fixed value of the properties determined herein, to all holders of preferred shares, the properties shall be distributed among shareholders proportionally to the number of preferred shares held by each of them.

4. Members of the liquidation committee (the liquidator) shall be held liable for any losses or damage inflicted through their/his/her fault on the Bank, its shareholders and any third parties in a manner prescribed by the law.

5. Unless otherwise provided by the law, the Bank shall be deemed dissolved from the date of the decision taken by the National Bank of the Republic of Belarus on making an entry on its removing from the Unified State



Register of Legal Entities and Self-Employed Entrepreneurs in the same register.

Vasil S. Matsiusheuski

Chairman of the Board of the Bank

/signed/

/sealed: Republic of Belarus, Minsk, Belvnesheconombank Open Joint Stock Company/

This document containing 33 (thirty-three) pages is stitched, numbered and sealed

Chief Specialist of Registration and Licensing Unit /signed/

E.N. Drozd

/sealed: National Bank of the Republic of Belarus, Principal Directorate of the Secretariat of the Board /

Chairman of the Board of the Bank

/signed/

V.S. Matsiusheuski

/sealed: Republic of Belarus, Minsk, Belvnesheconombank Open Joint Stock Company /

City of Minsk, Republic of Belarus

This fourth day of October two thousand and eighteen, I, Galina Alexandrovna Oliferchik, Notary of Minsk City Notarial District, acting in accordance with notary license No. 15 issued by the Ministry of Justice of the Republic of Belarus on 27 March 2014, do hereby certify that this is a true copy of the original document. The document does not contain any erasures, additions, crossed out words or other amendments or peculiarities.

Registration No. 5-334

Notary fee paid 29 roubles and 40 kopecks

Notary /signed/

/sealed: Republic of Belarus, Minsk City Notarial District, Notary, Galina Alexandrovna Oliferchik/

This document containing 34 (thirty-four) pages is stitched, numbered and sealed

Notary /signed/

/sealed: Republic of Belarus, Minsk City Notarial District, Notary, Galina Alexandrovna Oliferchik/