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**BY NATIONAL BANK OF UKRAINE**  
**on May 21, 2018**

Director of License Department  
*/signed/ O.O. Bevz*  
**/Official Seal/: National Bank of Ukraine \* 1 \***

**CHARTER**  
**OF JOINT STOCK COMPANY**  
**“BANK ALLIANCE”**

**(new version)**

**Identification code 14360506**

**APPROVED by Annual General Meetings of Shareholders of**  
**JOINT STOCK COMPANY “BANK ALLIANCE”**  
**(Minutes No. 1/2018 dated 17.04.2018)**

**Kyiv - 2018**

## ARTICLE 1. GENERAL PROVISIONS

1.1. This Charter shall be the only constituent document of the JOINT STOCK COMPANY "BANK ALLIANCE" (hereinafter referred to as the "Bank") and define the basic principles of the Bank's activity, in particular: the name of the Bank; the amount of the charter capital; conditions on the categories of shares issued by the Bank, and their nominal value and number; the rights of shareholders; the members and competence of the management bodies of the Bank and decision-making process, as well as other information in accordance with the current legislation of Ukraine.

1.2. Commercial Joint Stock Bank "Alliance-Credit Bank" was established as an open Joint Stock company in accordance with the decision of the Founding meeting of the Founders (Minutes No.1 dated March 09, 1992) and registered by the National Bank of Ukraine on March 10, 1992 under No. 89.

According to the decision of the General meeting of Shareholders (Minutes No.11 dated March 31, 1993), Commercial Joint Stock Bank "Alliance-Credit Bank" changed its name to Joint Stock Commercial Bank "ALLIANCE-CREDIT BANK", and the relevant changes were registered by the National Bank of Ukraine on July 30, 1993. Joint Stock Commercial Bank "ALLIANCE-CREDIT BANK" became the legal successor in relation to all rights and obligations of Commercial Joint Stock Bank "Alliance-credit Bank".

According to the decision of the General meeting of Shareholders (Minutes No.52 dated May 24, 1996) Joint Stock Commercial Bank "ALLIANCE-CREDIT BANK" changed its name to Joint Stock Commercial Bank "Alliance", and the relevant changes were registered by the National Bank of Ukraine on July 24, 1996. Joint Stock Commercial Bank "Alliance" became the legal successor in relation to all rights and obligations of Joint Stock Commercial Bank "ALLIANCE-CREDIT BANK".

To fulfill the requirements of the Law of Ukraine "On Joint Stock Companies" and the decision of the General meeting of Shareholders (Minutes No. 2/2010 dated 23 April 2010), Joint Stock Commercial Bank "Alliance" changed its name to PUBLIC JOINT STOCK COMPANY "BANK ALLIANCE", and the relevant changes were approved by the National Bank of Ukraine on 15.06.2010; it became the legal successor in relation to all rights and obligations of Joint Stock Commercial Bank "Alliance".

To fulfill the requirements of the law of Ukraine "On Joint Stock Companies" and the decision of the General meeting of Shareholders (Minutes 1/2018 dated April 17, 2018) PUBLIC JOINT STOCK COMPANY "BANK ALLIANCE" changed its name to JOINT STOCK COMPANY "BANK ALLIANCE", and it became the legal successor in relation to all rights and obligations of PUBLIC JOINT STOCK COMPANY "BANK ALLIANCE".

1.3. The Bank has been established in the form of a joint stock company. Type of a joint stock company of the Bank is PRIVATE JOINT STOCK COMPANY.

If the Bank makes a public offering of its shares, the General meeting of shareholders simultaneously with the decision on the public offering of its own shares shall take the decision to change the type of the Bank from private to public.

1.4. The Bank shall operate on the basis of the Constitution of Ukraine, the Civil Code of Ukraine, Commercial Code of Ukraine, laws of Ukraine "On Banks And Banking Activity", "On Joint Stock Companies", "On Financial Services and State Regulation of Financial Services Markets", "On Securities and Stock Market", "On Prevention and Counteraction to Legalization (Laundering) of the Proceeds of Crime or Terrorist Financing and Financing Proliferation of Weapons of Mass Destruction ", other laws of Ukraine, as well as on the basis of regulatory legal acts of the National Bank of Ukraine and the National Securities and Stock Market Commission, other effective legislative and regulatory acts of Ukraine and this Charter.

1.5. When carrying out its activities, the Bank shall interact with the National Bank of Ukraine, state agencies, enterprises (regardless of ownership), institutions, organizations and public organizations in the manner prescribed by the current legislation of Ukraine.

1.6. The Bank has been established for an indefinite period.

## ARTICLE 2. NAME AND LOCATION OF THE BANK

2.1. The Bank shall have a full and abbreviated official name in Ukrainian, Russian and English. Full and abbreviated names of the Bank shall be equivalent.

2.1.1. Full official name of the Bank shall be:

- in Ukrainian – **АКЦІОНЕРНЕ ТОВАРИСТВО «БАНК АЛЬЯНС»;**
- in Russian – **АКЦИОНЕРНОЕ ОБЩЕСТВО «БАНК АЛЬЯНС»;**
- in English – **JOINT STOCK COMPANY "BANK ALLIANCE".**

2.1.2. Abbreviated official name of the Bank:

- in Ukrainian – **АТ «БАНК АЛЬЯНС»;**
- in Russian – **АО «БАНК АЛЬЯНС»;**



in English –JSC “BANK ALLIANCE”.

2.2. The location of the Bank shall be: Ukraine, 04053, Kyiv, 50 Sichovykh Striltsiv St.

### **ARTICLE 3. LEGAL STATUS OF THE BANK. THE RIGHTS OF THE BANK**

3.1. The Bank shall be a legal entity, have separate property, can acquire property and personal non-property rights on its own behalf, the Bank can make transactions, can sue and be sued in any court.

3.2. The Bank shall be considered to be established and acquires the status of a legal entity from the date of its state registration in accordance with the current legislation of Ukraine, and acquires the status of the Bank after obtaining a Banking license and making by the National Bank of Ukraine a relevant entry in the State Register of Banks.

3.3. The Bank shall have civil legal capacity and legal competence in accordance with the established purpose and subject of activity, as well as the amount of obligations that can be assumed by the Bank in accordance with the current legislation of Ukraine and this Charter.

3.4. The Bank shall be universal and a part of the unified banking system of Ukraine. The Bank can carry out activities throughout the entire territory of Ukraine.

3.5. The Bank shall acquire civil rights and obligations (civil capacity) and exercise them through its bodies acting in accordance with the current legislation of Ukraine and this Charter. The procedure for the establishment of the Bank's bodies shall be established by the current legislation of Ukraine and this Charter.

3.6. The Bank shall have its own balance sheet, correspondent accounts with the National Bank of Ukraine and other banking institutions, official name (full and abbreviated), seals, stamps and letterheads with its official name and sign for goods and services (emblem), other details, the use of which shall be the exclusive right of the Bank and shall be subject to legal protection.

3.7. The Bank shall establish relations with customers, correspondent banks and other persons on the basis of relevant transactions, which determine the conditions necessary for their implementation.

3.8. The Bank's shareholders shall not be liable for the Bank's obligations and bear the risk of losses related to the activities of the Bank only within the limits of their shares.

The state shall not be liable for the obligations of the Bank, and the Bank shall not be liable for the obligations of the state, unless otherwise provided by the current legislation of Ukraine or the agreement.

The National Bank of Ukraine shall not be liable for the obligations of the Bank, and the Bank shall not be liable for the obligations of the National Bank, unless otherwise provided by the current legislation of Ukraine or the agreement.

Public authorities and local self-government bodies shall be prohibited from influencing the management or employees of the Bank in any way in the course of their official duties or interfering in the activities of the Bank, except in cases provided for by the current legislation of Ukraine.

The damage caused to the Bank as a result of such interference shall be reimbursed in accordance with the procedure established by the current legislation of Ukraine.

3.9. The Bank shall comply with the requirements of the current legislation of Ukraine, in particular, regulatory legal acts of the National Bank of Ukraine, uses the uniform rules of accounting in banks on the basis of complex automation and computerization, submit reports and information to the National Bank of Ukraine in the scope and manner established by the current legislation of Ukraine.

3.10. The official language of the Bank shall be Ukrainian. The working languages of the Bank shall be Ukrainian, Russian and English. When required, the Bank may use other languages as working languages to ensure the Bank's day-to-day operations.

3.11. The Bank shall have its own official web page, which contains information subject to disclosure in accordance with the current legislation of Ukraine, as well as other necessary information.

3.12. The Bank shall be entitled to:

- carry out activities defined by the current legislation of Ukraine, this Charter, according to the banking license; general license for currency operations and annexes thereto; the license for the relevant type of professional activity in the stock market of the National Securities and Stock Market Commission;
- effect transactions and perform legal actions not prohibited for banks by the current legislation of Ukraine;
- independently choose potential contractors for the purpose of transactions, advertise their activities;
- carry out direct investments and operations with securities in accordance with the legislation of Ukraine on securities, investment activities and in accordance with the regulations of the National Bank of Ukraine;
- open separate divisions (branches, representative offices, etc.) in the manner prescribed by the current legislation of Ukraine;
- establish subsidiary banks (including through acquisition), branches and representative offices in the territory of other states in accordance with the current legislation of Ukraine;



- be a member of a banking group;
- in order to protect and represent the interests of its shareholders, develop interregional and international relations, ensure scientific and information exchange and professional interests, develop recommendations on banking activities, the Bank shall be entitled to establish non-profit unions and associations and / or be a member thereof;
- participate in the establishment and establish other legal entities (enterprises, institutions, organizations, etc.), including foreign-owned ones, in the scope and manner provided for by the current legislation of Ukraine.
- organize and participate in workshops, symposia, conferences, meetings, etc. related to the Bank's activities;
- using its own resources, protect the premises where the Bank is located (including its separate units), property and valuables, as well as engage in the protection public and non- public organizations that have licenses and other permits provided for by the current legislation;
- foreclosure the pledged item in accordance with the procedure established by the current legislation of Ukraine;
- independently, within the current legislation of Ukraine, determine the order of hiring and dismissal of employees, forms and systems of payment for labour.

The Bank shall have other rights in accordance with the current legislation of Ukraine and this Charter.

#### **ARTICLE 4. THE PURPOSE AND SCOPE OF OPERATIONS OF THE BANK**

4.1. The purpose of the Bank's activities shall be meeting public needs in banking and other financial services (excluding insurance services), other banking activities, as defined by the current legislation of Ukraine; raising, accumulation, provision of movement and redistribution of money supply, as well as the receipt of profits on the results of implementation of activities not prohibited by the current legislation of Ukraine.

4.2. The scope of operations of the Bank shall be the provision of banking and other financial services (excluding insurance services), the implementation of other activities in accordance with the current legislation of Ukraine on the basis of the banking license granted by the National Bank of Ukraine, the general license for currency operations and annexes thereto, as well as other permits issued in accordance with the requirements of the current legislation of Ukraine.

4.3. Foreign economic activity of the Bank shall be carried out in accordance with the requirements of the current legislation of Ukraine, in particular, the Laws of Ukraine "On Banks And Banking Activity" and "On Foreign Economic Activity".

4.4. The Bank shall have no right to carry out activities in the area of material production, trade (excluding the sale of commemorative, anniversary and investment coins, as well as securities) and insurance, except for the functions of an insurance intermediary.

#### **ARTICLE 5. THE ACTIVITIES OF THE BANK**

5.1. The Bank shall provide banking and other financial services (except services in the area of insurance), as well as carry out other activities in accordance with the requirements of the current legislation of Ukraine.

5.2. To achieve the purpose and implement the scope of the Bank's activities, the Bank shall be entitled:

5.2.1. To carry out banking activities under the banking license by providing the following banking services:

- raising of funds and bank grade metals from an unlimited number of legal entities and individuals in deposits;
- opening and maintenance of current (correspondent) accounts of clients, including in bank grade metals, and conditional storage accounts (escrow);
- placement of deposits, including on current accounts, funds and bank grade metals on its own behalf, on its own terms and at its own risk.

5.2.2. To carry out other credit operations, namely:

- transactions in the securities market on its own behalf;
- provision of guarantees and sureties and other obligations from third parties providing for their implementation in cash;
- the acquisition of the right to fulfill the obligations in cash for the goods delivered or services rendered, assuming the risk of fulfilling such requirements and accepting payments (factoring);
- leasing.

5.2.3. To provide its clients (except banks) with financial services, including through the conclusion of agency agreements with legal entities (commercial agents) on the terms and in the manner prescribed by the current legislation of Ukraine.

5.2.4. To carry out activities on:

- investments;
- issue of own securities;
- issuance, distribution and holding of lotteries;
- storage of valuables or provision for a property occupancy (lease) of individual bank safe;
- collection of funds and transportation of currency values;



- maintenance of registers of owners of registered securities (excluding own shares);
- provision of consulting and information services on banking and other financial services.

5.2.5. The Bank shall be entitled to provide other financial services in accordance with the requirements of the current legislation of Ukraine, namely:

- issuance of payment documents, payment cards, traveler's checks and / or their maintenance, clearing and other forms of payment security;
- trust management of financial assets;
- currency exchange;
- raising of financial assets with the obligation of their subsequent return;
- transfer of funds;
- professional activity in the securities market subject to licensing;
- factoring;
- administration of financial assets for the purchase of goods in groups;
- other operations that meet the criteria defined in paragraph 5 of part one of article 1 of the Law of Ukraine "On Financial Services and State Regulation of Financial Services Markets", and the implementation of which is not prohibited by this Charter of the Bank and/or the current legislation of Ukraine.

5.2.6. To carry out currency operations on the basis of the General license for currency operations, namely:

- non-trading operations with currency valuables;
- operations with cash foreign currency and cheques (purchase, sale, exchange, acceptance for collection), which are carried out at cash desks and foreign currency exchange offices of banks;
- operations with cash foreign currency (purchase, sale, exchange), which are carried out at foreign currency exchange offices, operating under agency agreements concluded by banks with resident legal entities;
- maintenance of accounts of clients (residents and non-residents) in foreign currency and non-resident clients in the currency of Ukraine;
- maintenance of correspondent accounts of banks (residents and non-residents) in foreign currency;
- maintaining correspondent accounts of banks (non-residents) in the currency of Ukraine;
- opening of correspondent accounts in the authorized banks of Ukraine in foreign currency and carrying out operations for them;
- opening of correspondent accounts in banks (non-residents) in foreign currency and carrying out operations for them;
- raising and placement of foreign currency in the foreign exchange market of Ukraine;
- raising and placement of foreign currency in international markets;
- foreign currency trading on the foreign exchange market of Ukraine [excluding operations with cash foreign currency and checks (purchase, sale, exchange), carried out at cash desks and foreign currency exchange offices of banks and agents];
- foreign exchange trading on international markets;
- raising and placement of bank grade metal in the foreign exchange market of Ukraine;
- raising and placement of bank grade metal in international markets;
- trade in bank grade metal on the foreign exchange market of Ukraine;
- trading in bank grade metal on international markets;
- other currency transactions in the foreign exchange market of Ukraine that are included in the financial services in accordance with Article 4 of the Law of Ukraine "On Financial Services and State Regulation of Financial Services Markets";
- other foreign exchange transactions in international markets that are included in the financial services in accordance with Article 4 of the Law of Ukraine "On Financial Services and State Regulation of Financial Services Markets".

5.3. Subject to obtaining the relevant license of the National Securities and Stock Market Commission of Ukraine, the Bank shall be entitled to carry out the following activities in the securities market:

5.3.1. Securities trading activities including:

- broker activity;
- dealer activity;
- underwriting;
- securities management.

5.3.2. Depository activities, including such activities:

- depository activities of a depository institution;



- activities for storage of assets of institutes of joint investment;
- activity on storage of assets of pension funds.

#### 5.3.3. Clearing activity.

5.4. The Bank shall be entitled to make any transactions necessary for the provision of banking and other financial services and other activities.

5.5. The Bank shall be entitled to start a new type of activity or provision of a new type of financial services (except banking) provided that the requirements established by the National Bank of Ukraine regarding this type of activity or service are fulfilled.

The Bank shall notify the National Bank of Ukraine not later than one month before the start of a new type of activity or provision of a new type of financial services (except banking) in accordance with the requirements and in accordance with the procedure established by the National Bank of Ukraine.

5.6. The Bank shall independently set interest rates and bank fees for the services provided.

5.7. Activities subject to licensing or requiring a permit for their implementation shall be carried out by the Bank after the relevant license or permit are obtained.

5.8. The above list of operations and activities shall not be complete and comprehensive, and shall not deprive the Bank of the right to carry out any other activities not expressly prohibited by law.

### **ARTICLE 6. PROPERTY OF THE BANK**

6.1. The Bank shall be entitled to own, use and dispose of the property owned by it.

6.2. The Bank shall own:

- cash transferred to the Bank by its shareholders as payment for shares in the course of formation of and increase in the charter capital;
- income received by the Bank as a result of statutory activities in Ukraine and abroad;
- other property, property and non-property rights acquired on the grounds not prohibited by the current legislation of Ukraine.

Any increase of the Bank's property that occurred as a result of the Bank activities shall belong to the Bank.

6.3. The property of the Bank may be withdrawn only in cases stipulated by the current legislation of Ukraine.

6.4. The Bank shall be entitled to perform any actions in respect of the Bank's property that do not contradict the current legislation of Ukraine.

6.5. The Bank may own immovable property with a total value of not more than 25 (twenty-five) percent of the Bank's capital. This limitation shall not apply to:

- premises that provide technological implementation of banking functions;
- property transferred to the Bank on the basis of realization of the rights of the pledgee in accordance with the terms of the pledge agreement;
- the property acquired by the Bank for the purpose of prevention of losses, provided that such property shall be alienated by the Bank within one year from the date of acquisition of the property right to it.

### **ARTICLE 7. RESERVE AND OTHER FUNDS OF BANK**

7.1. The Bank shall form a reserve Fund to cover unforeseen losses on all assets and off-balance sheet liabilities.

The reserve fund of the Bank shall be established up to 25 (twenty-five) percent of the regulatory capital. The amount of contributions to the reserve fund shall not be less than 5 (five) percent of the Bank's net profit.

7.2. Special funds shall be established in accordance with the decisions of the Bank's management bodies in accordance with the powers provided for by this Charter.

The procedure for the establishment of special funds of the Bank, formed by deductions from profit, and the regulations on them, respectively, shall be determined and approved by the Supervisory Board of the Bank in accordance with the requirements of the current legislation and regulations of the National Bank of Ukraine.

7.3. Deductions from profits for the creation of the Bank's funds shall be made after the approval of the results of the Bank's activities for the previous year.

7.4. In accordance with the requirements and in the manner prescribed by the regulations of the National Bank of Ukraine, the Bank may create other funds and reserves, including for covering losses from impairment of assets.

### **ARTICLE 8. CHARTER CAPITAL AND SHARES OF THE BANK**

8.1. The charter capital of the Bank shall amount to **260,000,000 (two hundred sixty million)** hryvnias and consist of 16,000,000 (sixteen million) pieces of ordinary registered shares with a nominal value of 16 (sixteen) hryvnias 25 kopiikas each.

8.2. The share shall be indivisible. The procedure of exercising the rights of co-owners of share (s) shall be determined by the legislation of Ukraine.



8.3. The increase in the charter capital of the Bank shall be carried out in accordance with the current legislation of Ukraine, by increasing the nominal value of shares by transferring to the charter capital of the Bank's profit (part thereof) or by placing additional shares of the current nominal value engaging additional contributions of investors. The Bank may not acquire any of its own shares placed.

8.4. The Bank's shares shall be issued as uncertificated.

Share of the Bank shall certify the corporate rights of a shareholder in respect of the Bank. The total number of shares owned by the shareholder shall be its unit in cash in the charter capital of the Bank.

8.5. A legal entity or individual who intends to acquire a substantial interest in the Bank or increase it in such a way that he/she (the shareholder) would directly and / or indirectly, independently or jointly with other shareholders own 10, 25, 50 or 75 or more percent of the charter capital of the Bank or have the right to vote in the charter capital of the Bank and / or have a significant impact on the management or operation of the Bank, shall inform the Bank and the National Bank of Ukraine about their intentions three months prior to the acquisition of a substantial shareholding or its increase and submit to the National Bank of Ukraine documents attached to the notification defined by the Law of Ukraine "On Banks And Banking Activity" and regulations of the National Bank of Ukraine. Joint investment institutions may be owners of a substantial shareholding in the Bank only provided that such joint investment institution is a corporate investment fund and more than 75 (seventy-five) percent of shares (investment certificates) and more than 75 (seventy-five) percent of shares (units) of the asset management company of which directly and/or indirectly belong to one person or group of associated persons.

8.6. The charter capital of the Bank is formed in accordance with the current legislation of Ukraine and provisions of this Charter.

The Bank shall be entitled to change (increase or decrease) the amount of the charter capital in the manner determined by the current legislation of Ukraine.

The increase in the charter capital of the Bank can be carried out exclusively at the expense of cash contributions (including profit) by placing additional shares of the existing nominal value or increasing the nominal value of shares. Cash contributions for the formation of and increase in the charter capital of the Bank shall be made by residents of Ukraine in hryvnias, and by non-residents in foreign freely convertible currency or in hryvnias.

The Bank shall be entitled to increase the charter capital after registration of reports on the results of placement of all previous issues of shares.

The shareholder has a pre-emptive right to purchase additional issue shares. The priority right of the shareholder shall be the right of the shareholder who is the owner of ordinary shares to acquire in the process of issue ordinary shares in proportion to the share of ordinary shares in the total number of issued ordinary shares, except for the case of adoption by the General meeting of Shareholders of the decision on non-use of such right. Decisions on non-use of the pre-emptive right of shareholders to purchase additional issue shares in the process of their placement shall be taken by more than 95 percent of the votes of shareholders from their total number, who registered for participation in the General meeting. The procedure for exercising the pre-emptive right to purchase additional issue shares shall be established by the National Securities and Stock Market Commission.

Losses of the Bank shall not be an obstacle to increasing the charter capital of the Bank.

Reduction in the charter capital of the Bank shall be carried out by reducing the nominal value of shares or cancellation of previously purchased shares and reducing their total number.

8.7. The decision to change the charter capital of the Bank shall be made by the General meeting of Shareholders in the manner prescribed by the current legislation of Ukraine and this Charter.

8.8. The charter capital of the Bank cannot be formed from unverified sources. Shareholders shall provide the Bank with information and relevant documents in accordance with the requirements of the regulatory legal acts of the National Bank of Ukraine, including documents confirming the sources of funds allocated for the purchase of shares of the Bank (both in the primary and secondary market).

#### **ARTICLE 9. BANK SHAREHOLDERS**

9.1. Shareholders of the Bank may be legal entities and individuals, both residents and non-residents, who are owners of the Bank's shares in accordance with the current legislation of Ukraine.

9.2. Relations between the state and shareholders, between shareholders, between shareholders and the Bank and its governing bodies, between the state and the Bank shall be regulated by the current legislation of Ukraine, regulations of the National Bank of Ukraine and this Charter.

9.3. The owners of a substantial interest in the Bank shall have an impeccable business reputation and satisfactory financial/property status.



Requirements regarding business reputation and financial/property status of shareholders, owners of substantial shareholding in the Bank and persons who acquire or increase a substantial shareholding in the Bank shall be established by the current legislation of Ukraine and regulations of the National Bank of Ukraine.

9.4. Legal entities, public organizations, religious and charitable organizations in which the Bank has a substantial shareholding cannot be Shareholders of the Bank.

9.5. Each ordinary share of the Bank provides the shareholder (its owner) with the same set of rights. Confirmation of the rights to the share at a certain time shall be a record entry in the securities account of the depositor in the Depository institution. Documentary evidence of rights to shares at a certain time shall be an extract from the securities account of the shareholder.

9.6. Shareholders who are owners of ordinary shares of the Bank shall have the following rights in addition to the rights defined by this Charter and the norms of the current legislation of Ukraine:

- participate in the management of the Bank in the manner determined by this Charter;
- take part in the distribution of the Bank's profit and receive its share (dividends), if the General meeting of Shareholders decides on their payment. Payment of dividends shall be carried out in the manner and in the ways provided by the current legislation of Ukraine and this Charter;
- in case of liquidation of the Bank, receive a part of its property or the value of a part of the Bank's property;
- receive information on the economic activities of the Bank in the manner prescribed by this Charter and the internal regulations;
- in case of issue of additional shares, use the pre-emptive right to purchase ordinary shares placed by the Bank in proportion to the share of ordinary shares held by them (shareholders) in the charter capital of the Bank;
- sell or otherwise dispose of their shares without the consent of other shareholders and the Bank.

9.7. In the event that disagreements and disputes related to this Charter cannot be resolved through negotiations, each of the shareholders shall be entitled to apply to the court in the manner prescribed by the current legislation of Ukraine.

9.8. Shareholders of the Bank may have other rights determined by the current legislation of Ukraine and the General meeting of Shareholders of the Bank.

9.9. Shareholders who are owners of ordinary shares of the Bank shall have the following obligations in addition to the obligations defined by this Charter and the norms of the current legislation of Ukraine:

- comply with the requirements of this Charter and other internal regulations of the Bank, implement decisions of the General meeting of Shareholders, the Supervisory Board and the Management Board;
- perform all its obligations to the Bank, including those related to participation in its activities, as well as pay for shares in the amount, manner and means provided for by the Charter of the Bank;
- comply with the requirements of the current legislation of Ukraine directly relating to shareholders, including regulatory legal acts of the National Bank of Ukraine regarding the ownership structure of the Bank / legal entity;
- not to disclose Bank and trade secrets, as well as other confidential information about the Bank's activities;
- refrain from actions that may damage the Bank, other shareholders or damage their business reputation;
- immediately notify the Supervisory Board and / or the Management Board of the Bank of any circumstances preventing the implementation of the provisions of this Charter;
- make every effort to resolve all disagreements and disputes arising or related to this Charter through negotiations;
- fully assist the Bank in its activities;
- perform other duties stipulated by the current legislation of Ukraine and the Charter of the Bank.

9.10. The liability of shareholders for non-performance or improper performance of their duties shall be determined in accordance with the current legislation of Ukraine and this Charter.

9.11. None of the shareholders shall be entitled to act independently and perform legally significant actions on behalf of the Bank without a written instruction (power of attorney) issued to it on behalf of the Bank, signed by the head of the executive body of the Bank with the Bank's seal affixed, even in the case of obtaining the relevant powers from the management bodies of the Bank and/or the General meeting of Shareholders.

9.12. In case of change of information about the shareholder (name/surname, location / place of registration, telephone, etc.) he/she shall immediately inform the Bank thereof by registered mail with return receipt or personal written statement with the Bank's note of its acceptance.

#### **ARTICLE 10. BANK RELATIONSHIPS WITH CLIENTS**

10.1. The Bank's relationships with clients shall be regulated by the current legislation of Ukraine, regulatory legal acts of the National Bank of Ukraine and agreements (contracts) between the client and the Bank.

10.2. The Bank shall make every effort to avoid conflict of interests between the Bank's employees and clients, as well as conflict of interests of the Bank's clients.



10.3. The Bank shall not require the customer to purchase any goods or services from the Bank or from a related or affiliated person of the Bank as a prerequisite for the provision of banking services.

10.4. The Bank shall be prohibited from unilaterally changing the terms and conditions of the agreements concluded with the clients, in particular, to increase the interest rate under the loan agreements or to reduce its size under the bank deposit agreements (excluding the deposit on demand), except for the cases established by the current legislation of Ukraine.

#### **ARTICLE 11. BANK MANAGEMENT AND CONTROL BODIES**

11.1. The supreme governing body shall be the General meeting of Shareholders.

11.2. The control body shall be the Supervisory Board.

11.3. The Executive body shall be the Management Board.

The distribution of functions between the Bank's management bodies shall ensure an effective system of internal control.

#### **ARTICLE 12. THE GENERAL MEETING OF SHAREHOLDERS OF THE BANK**

12.1. The supreme governing body of the Bank shall be the General meeting of Shareholders (hereinafter referred to as the General meeting).

Individuals included in the list of shareholders entitled to such participation or their representatives may participate in the General meeting. The list of shareholders entitled to participate in the General meeting shall be drawn up in accordance with the current legislation of Ukraine.

A representative of an independent auditor (audit firm), Bank officials, regardless of whether they own shares, and other invited persons may also attend the General meeting at the invitation of the person who convenes the General meeting.

12.2. The Bank shall convene a General meeting annually (annual General meeting). The annual General meeting shall be held no later than April 30 of the year following the reporting year.

All other General meetings other than the annual shall be considered extraordinary.

The National Bank of Ukraine shall be entitled to demand an extraordinary convocation of the General meeting.

12.3. The General meeting may decide any issues of the Bank's activities, except those that are within the exclusive competence of the Supervisory Board by law or the Charter.

The exclusive competence of the General meeting shall include:

12.3.1. Determination of the main activities of the Bank.

12.3.2. Amendments and additions to the Charter of the Bank.

12.3.3. Changes in the charter capital of the Bank.

12.3.4. Election of the Chairman and members of the Supervisory Board of the Bank, approval of the terms of civil, employment agreements (contracts) to be concluded with them, establishment of the amount of their remuneration, including incentive and compensation payments, election of a person who is authorized to sign contracts (contracts) with members of the Supervisory Board.

12.3.5. Termination of powers of the Chairman and members of the Supervisory Board of the Bank, except for cases established by the legislation of Ukraine.

12.3.6. Approval of the Bank's annual report.

12.3.7. Consideration of the report of the Supervisory Board and approval of measures based on the results of its consideration.

12.3.8. Review of the report of the Management Board and approval of measures based on the results of its consideration.

12.3.9. Review of external audit findings and approval of measures based on the results of its consideration.

12.3.10. Distribution of profit and determination of the procedure for covering the Bank's losses, taking into account the requirements of the current legislation of Ukraine.

12.3.11. Decision-making based on the results of consideration of the report of the Supervisory Board and the Management Board.

12.3.12. Approval of the amount of annual dividends.

12.3.13. Approval of the regulations on the General meeting, the Supervisory Board and the Management Board of the Bank, as well as amendments thereto.

12.3.14. Approval of the regulations on remuneration of members of the Supervisory Board of the Bank, as well as amendments thereto.

12.3.15. Approval of the report on remuneration of members of the Supervisory Board of the Bank.

12.3.16. Approval of the Corporate Governance Code of the Bank.

12.3.17. Decision on placement of shares.



- 12.3.18. Decision on redemption of shares placed by the Bank, except in cases of compulsory redemption of shares.
- 12.3.19. The decision to cancel the purchased shares.
- 12.3.20. Decision on the placement of securities that can be converted into shares.
- 12.3.21. Decision on non-use of the pre-emptive right of shareholders to purchase additional issue shares in the process of their placement.
- 12.3.22. Decision to split or consolidate shares.
- 12.3.23. Decision to change the type of joint stock company and organizational and legal form of the Bank.
- 12.3.24. Decision on granting consent to major transactions and interested party transactions in cases stipulated by the legislation of Ukraine and the Charter.

When making a decision on granting consent to interested party transactions, shareholders interested in such a transaction shall have the right to vote in the decision of the General meeting.

- 12.3.25. Decision on the procedure of General meetings.
- 12.3.26. Election of members of the counting commission, the decision to terminate their powers.
- 12.3.27. Decision on the spin-off and termination of the Bank, liquidation of the Bank, election of the liquidation committee, approval of the order and terms of liquidation, the order of distribution of property between shareholders, which remains after meeting the creditors' claims, and approval of the liquidation balance sheet.
- 12.3.28. Election of committee to cease the Bank's activity.
- 12.3.29. Resolution of other issues within the competence of the General meeting according to the current legislation of Ukraine.

12.4. Powers to resolve issues within the exclusive competence of the General meeting may not be transferred to other bodies of the Bank.

12.5. Powers that under the current legislation of Ukraine are not part of the exclusive competence of the General meeting may be assigned to the competence of the Board of the Bank.

12.6. The agenda of the annual General meeting shall mandatorily include the matters referred to in subparagraphs 12.3.6, 12.3.7, 12.3.8, 12.3.9, 12.3.10, and 12.3.11 of paragraph 12.3 hereof.

At least once every three years, the agenda of the annual General meeting shall include the issues provided for in subparagraphs 12.3.4 and 12.3.5 of paragraph 12.3 hereof.

12.7. The notice of the General meeting and the draft agenda shall be sent to each shareholder specified in the list of shareholders drawn up in accordance with the procedure established by the legislation on the depositary system of Ukraine on the date determined by the Supervisory Board, and in the case of convening extraordinary General meetings at the request of shareholders in the cases provided for by the current legislation of Ukraine – by shareholders who require it. The established date may not precede the day of the decision to hold the General meeting and may not be set earlier than 60 (sixty) calendar days before the date of the General meeting.

The notice of the General meeting and the draft agenda shall be sent to the shareholders personally by the person who convenes the General meeting, in the manner provided by the Supervisory Board of the company, no later than 30 (thirty) days before the date of the meeting. The notices shall be sent by the person who convenes the General meeting, or the person who keeps records of ownership rights to shares of the Bank in the case of convocation of General meeting of shareholders.

In addition, the Bank shall send a notice of the General meeting and the draft agenda to the stock exchange, where the Bank's securities are admitted to trading and no later than 30 (thirty) days before the date of the General meeting, places the information provided for by the current legislation of Ukraine on its own website.

Not later than 30 (thirty) days before the date of the General meeting, the Bank shall place a notice on the General meeting in the public information database of the National Securities and Stock Market Commission on the securities market or engaging a person/entity involved in activities with the publication of regulated information on behalf of the participants of the stock market.

The notice of the General meeting shall be approved by the Supervisory Board and shall contain the information provided for by the current legislation of Ukraine.

The shareholders who convene the extraordinary General meeting, not later than 30 (thirty) days prior to the date of the extraordinary General meeting, shall place a notice on the extraordinary General meeting in the public information database of the National Securities and Stock Market Commission on the securities market or engaging a person/entity involved in activities with the publication of regulated information on behalf of the participants of the stock market.

Notice on extraordinary General meetings held at the request of shareholders shall contain data provided by the current legislation of Ukraine, as well as the address to which shareholders may submit proposals to the draft agenda



of extraordinary General meetings. The notice of the extraordinary General meeting shall be approved by the shareholders who convene the General meeting.

The General meetings shall be conducted within the territory at the location of the Bank, except as provided by applicable law.

12.8. From the date the notice on the General meeting has been sent until the date the General meeting is held, the Bank shall provide the shareholders with the opportunity to review the documents necessary for making decisions on agenda issues at the location of the Bank on business days, during working hours and in an accessible place, and on the day of the General meeting at the place of the meeting.

12.9. The draft agenda of the General meeting and the agenda of the General meeting shall be approved by the Supervisory Board of the Bank, and in case of convening extraordinary General meetings at the request of shareholders in cases stipulated by the current legislation, by shareholders who require it.

12.10. Each shareholder shall be entitled to make proposals on the issues included in the draft agenda of the General meeting, as well as in relation to the new candidates as members of the bodies of the Bank in the manner stipulated by the current legislation of Ukraine and Regulations on the General meeting of shareholders of the Bank.

Proposals for the inclusion of new issues in the draft agenda shall contain relevant draft decisions on those issues. In case of amendments to the draft agenda of the General meeting, the Bank shall inform about the amendments not later than 10 days before the date of the General meeting of shareholders and shall send/deliver the agenda with draft decisions.

12.11. The General meeting shall have a quorum if the shareholders, who together own more than 50 (fifty) percent of the voting shares, registered for participation in it.

The quorum of the General meeting shall be determined by the registration commission at the end of the registration of shareholders for participation in the General meeting.

One voting share shall provide the shareholder with one vote for each of the issues put to the vote at the General meeting, except for the cumulative voting.

Voting at the General meeting on issues of the agenda shall be carried out using voting ballots (excluding the General meeting by absentee voting (polling) and changing the order of consideration of agenda items and announcing a break during the General meeting until the next day. The voting ballot, including the cumulative voting ballot approved by the Supervisory Board, shall be certified by the signature of the Head of the Registration Commission and the seal of the Bank.

12.12. If the shareholder does not plan to participate in the General meeting, he / she may issue a written power of attorney in the manner prescribed by the current legislation of Ukraine to another person (s) or shareholder (s) for the right to represent such shareholder at the General meeting and vote on his / her behalf. The shareholder shall be entitled to withdraw or replace its representative at any time. The granting of a power of attorney to participate in and vote in General meetings shall not exclude the right to participate in these General meetings of the shareholder who issued the power of attorney, instead of the representative. If such shareholder does not issue a power of attorney or cancels it, it shall be considered that he did not take part in the voting, but all decisions adopted at a duly convened General meeting shall be binding on all shareholders.

12.13. General meeting may not commence earlier than indicated in the notice of the General meeting.

The person who is elected by the decision of the General meeting shall preside at the General meeting. The person appointed by the Supervisory Board of the Bank shall open and preside over the General meeting until the Chairman and Secretary of the General meeting are elected.

12.14. The decision of the General meeting on the agenda item put to the vote shall be taken by a simple majority of votes of shareholders who have registered for participation in the General meeting and are the owners of shares voting on this issue, except for those determined by the current legislation of Ukraine.

12.15. Decisions of the General meeting shall relate to:

12.15.1. Amendments to the Charter of the Bank.

12.15.2. Changes in the charter capital of the Bank (decision to increase the charter capital of the Bank, the decision to reduce the charter capital of the Bank).

12.15.3. Placement of shares.

12.15.4. Cancellation of the redeemed shares.

12.15.5. Decision to change the type of joint stock company and organizational and legal form of the Bank.

12.15.6. Placement of securities that can be converted into shares.

12.15.7. Spin-off and termination of the Bank, on liquidation of Bank, election of a liquidator (liquidation committee), approval of procedure and terms of liquidation, procedure for distribution between the shareholders of property that remains after meeting the creditors' claims, and approval of the liquidation balance sheet, accepted by



more than 3/4 (three fourths) votes of shareholders who registered for participation in the General meeting and own shares voting on the relevant issue.

12.16. The decision to grant consent to a major transaction, if the market value of the property, works or services that are the subject of such a transaction is 50 (fifty) percent or more of the value of the Bank's assets according to the latest annual financial statements of the Bank, shall be taken by more than 50 (fifty) percent of the votes of shareholders

12.17. In the case of the adoption by the General meeting of decision on reorganization of the Bank by merger or affiliation, the agreement of merger or affiliation shall enter into force from the moment of its approval by a majority of 2/3 (two thirds) votes of shareholders who registered for participation in the General meeting and own shares voting on the relevant issue.

12.18. Decisions on other issues shall be adopted by a simple majority of shareholders who registered for participation in the General meeting and own shares voting on the relevant issue, unless otherwise provided by the current legislation of Ukraine.

12.19. The General meeting shall not make decisions on issues that are not included in the agenda, except for the issues of changing the order of consideration of the agenda items and announcing a break during the General meeting until the next day. The decision to change the order of consideration of issues on the agenda shall be made by at least three fourths of the votes of shareholders who have registered to participate in the General meeting.

The decision of the General meeting shall be invalid if it is adopted with the use of the right to vote of the persons who own or control the shares, who are not allowed to use the said right by the National Bank of Ukraine.

12.20. The counting commission shall ensure the conduct of voting and counting of votes at the General meeting. The powers of the counting commission may be transferred to the depository institution under the agreement, the terms of which shall be approved by the Supervisory Board of the Bank.

Prior to the election of the counting commission, the temporary counting commission shall be formed by the Supervisory Board which shall explain the voting procedure, count of the votes and other issues related to the conduct of voting at the General meeting. In the case of convening extraordinary General meetings at the request of shareholders in the cases provided for by law, shareholders who require it, a temporary counting commission shall be formed.

Persons who are the members or candidates for the bodies of the Bank cannot be members of the counting commission.

12.21. The decision of the General meeting shall be considered adopted from the moment the minutes are drawn up on the results of voting.

Subsequent to the results of each voting, the Minutes which are signed by all members of the counting commission shall be drawn up.

The results of the voting shall be announced at the General meeting during which the voting was held. After the General meeting session is closed, the results of the voting shall be communicated to the shareholders within 10 business days on the Bank's own website on the Internet.

12.22. Issues related to convocation, holding and decision-making by the General meeting shall be regulated by the Regulations on the General meeting.

12.23. If one person is a shareholder of the Bank, the provisions of Art. 33-48 of the Law of Ukraine "On Joint Stock Companies" and the provisions of this Charter on the procedure for convening and holding the General meeting of shareholders of the Bank shall not apply to the Bank.

The powers of the General meeting of shareholders of the Bank provided hereby and internal documents of the Bank shall be exercised by the shareholder alone.

The decision of the shareholder on matters within the competence of the General meeting shall be made in writing (in the form of a decision). This decision of the shareholder shall have the status of the minutes of the General meeting of shareholders.

Election of the members of the Supervisory Board shall be carried out without cumulative voting.

### **ARTICLE 13. SUPERVISORY BOARD OF THE BANK**

13.1. The Supervisory Board of the Bank (hereinafter referred to as the Board) shall be a collegial body that controls the activities of the Board, protects the rights of depositors, other creditors and shareholders of the Bank.

The Board shall act on the basis of the Regulation on the Board of the Bank approved by the General meeting. The question of convening, holding and adoption of decisions by the Board shall be regulated by the Regulation on the Board.

13.2. The procedure of work, payment of remuneration and responsibility of the members of the Board of the Bank shall be determined by the current legislation of Ukraine, this Charter, Regulation on the Board, Regulation on



remuneration of members of the Supervisory Board of the Bank, as well as civil or employment agreement (contract) concluded with the members of the Board. Such civil, employment agreement (contract) on behalf of the Bank shall be signed by the Chairman of the Board of the Bank or other person authorized by the General meeting on the terms approved by the decision of the General meeting.

13.3. The Board of the Bank shall be elected by the General meeting from among the Bank's shareholders, their representatives and independent Directors in the amount of not less than 5 (five) people. The Board shall consist of the Chairman and other members of the Board.

The number of members of the Board shall be 5 (five) people. The election of the Board of the Bank shall be carried out exclusively by cumulative voting.

Members of the Board shall be elected by shareholders at the General meeting for three years. The powers of a member of the Board shall be valid from the moment of his/her election by the General meeting. If the annual General meeting of the Bank has not been held within the period established by the current legislation of Ukraine, or the decisions provided for in sub-paragraphs 12.3.4 have not been taken, and 12.3.5 of paragraph 12.3 hereof, the powers of the members of the Board shall be terminated, except for the powers to prepare, convene and hold the annual General meeting.

13.4. Members of the Board of the Bank may not be a member of the Management Board or hold other positions in the Bank under the terms of an employment contract.

The Board of the Bank shall consist of at least one third of independent directors, the number of which shall not be less than three persons.

The National Bank of Ukraine shall determine the professional suitability and business reputation of candidates for the positions of Chairman and members of the Board. Qualification requirements for the business reputation of the Chairman and members of the Board of the Bank shall be established by the National Bank of Ukraine.

The Chairman and / or a member of the Board of the Bank shall meet the qualification requirements and independent Directors shall also meet the requirements for their independence. The Bank shall continuously check and ensure compliance of the Chairman and / or a member of the Board of the Bank with the qualification requirements, and with respect to independent Directors, also with the requirements for their independence.

The National Bank of Ukraine shall be entitled to demand the replacement of the Chairman and/or a member of the Board of the Bank in cases and in the manner prescribed by the law "On Banks and Banking Activity".

13.5. The General meeting may decide on early termination of the powers of the members of the Board and simultaneous election of new members.

Without the decision of the General meeting, the powers of a member of the Board with the simultaneous termination of the agreement (contract) shall be terminated early:

13.5.1. At his/her own request and subject to written notice sent to the Board 14 calendar days in advance.

13.5.2. In case of impossibility of performance of duties of the member of Board due to health condition.

13.5.3. In the case of entry into force of the judgment or decision of the court, under which he/she are sentenced to punishment, which excludes the possibility of fulfillment of duties of the member of the Board.

13.5.4. In case of death; if a person is recognized as incapacitated, partially incapacitated, missing, dead.

13.5.5. In case the Bank receives a written notice of replacement of a member of the Board who is the shareholder's representative.

13.5.6. In cases of other circumstances that, in accordance with the current legislation of Ukraine, interfere with the performance of the duties of a member of the Board.

13.6. In the cases provided for in paragraphs 13.5.2, 13.5.3, 13.5.6 hereof, a member of the Board shall notify the Board and the Management Board of the Bank of the occurrence of such circumstances.

13.7. The competence of the Board of the Bank shall include issues stipulated by the current legislation of Ukraine, this Charter and the Regulation on the Board.

13.8. The exclusive competence of the Board shall include:

13.8.1. Approval of the Bank's development strategy in accordance with the main activities defined by the General meeting.

13.8.2. Approval of the Bank's budget, including the budget of the Internal Audit Service and business development plan of the Bank.

13.8.3. Determination and approval of risk management strategy and policy, risk management procedures, as well as a list of risks and their limits.

13.8.4. Ensuring the functioning of the Bank's internal control system and monitoring its effectiveness.

13.8.5. Control over the effectiveness of the risk management system.

13.8.6. Approval of the Bank's business recovery plan.



- 13.8.7. Determination of sources of capitalization and other financing of the Bank.
- 13.8.8. Determination of the Bank's credit policy.
- 13.8.9. Determination of the organizational structure of the Bank, including Internal Audit Service.
- 13.8.10. Approval of internal regulations governing activities of the structural divisions of the Bank.
- 13.8.11. Approval within the scope of its competence of the provisions regulating the Bank's activities, except those that are within the exclusive competence of the General meeting, and those that are transferred by the decision of the Board for approval of the Management Board.
- 13.8.12. Appointment (election) and dismissal (termination of powers) of the Chairman and members of the Management Board of the Bank, Head of the Internal Audit Service.
- 13.8.13. Approval of the terms of civil, employment agreements (contracts) to be concluded with the Members of the Management Board of the Bank, and employees of the Internal Audit Service, fixation of the amount of their remuneration, including incentive and compensation payments.
- 13.8.14. Approval of Regulations on remuneration of members of the Management Board of the Bank.
- 13.8.15. Approval of the Report on remuneration of members of the Management Board of the Bank.
- 13.8.16. Decision on the removal of the Chairman of the Management Board or a member of the Management Board from the performance of their powers and the appointment (election) of a person who will temporarily exercise the powers of the Chairman of the Management Board.
- 13.8.17. Control over the activities of the Management Board of the Bank, making proposals for its improvement.
- 13.8.18. Consideration of the report of the Management Board of the Bank and approval of measures on the results of its consideration.
- 13.8.19. Making a decision on bringing to responsibility the Chairman and Members of the Management Board of the Bank.
- 13.8.20. Determination of the operating procedures and plans of the Internal Audit Service and control over its activities.
- 13.8.21. Creation of permanent or temporary committees of the Supervisory Board, determination of their staff, powers and other issues of functioning, consideration of reports (conclusions) of temporary and permanent committees of the Bank's Board. Approval of the provisions on such committees.
- 13.8.22. Election of the Corporate Secretary and approval of the Regulations on the corporate Secretary.
- 13.8.23. Determination (election) of the audit firm to conduct an external audit of the Bank, approval of the terms of the contract to be concluded with it, fixation of the amount of payment for its services.
- 13.8.24. Consideration of the conclusion of the Bank's external audit and approval of recommendations to the General meeting for decision adopted on it.
- 13.8.25. Control over the elimination of deficiencies identified by the National Bank of Ukraine and other public authorities and management bodies, which within their competence exercise supervision over the activities of the Bank, the Internal Audit Service and the audit firm, based on the results of the external audit.
- 13.8.26. Decision on the establishment of subsidiaries and participation in them, their reorganization and liquidation, creation of separate divisions of the Bank, approval of their Charters and regulations.
- 13.8.27. Decision on participation of the Bank in banking unions and associations, establishment and termination of participation in other legal entities.
- 13.8.28. Decision on the Bank's participation in groups and other associations.
- 13.8.29. Ensuring timely provision (publication) by the Bank of reliable information on its activities in accordance with the current legislation of Ukraine, publication of the Corporate Governance Code of the Bank.
- 13.8.30. Decision on convening (holding) ordinary and extraordinary General meetings, preparation of the agenda of the General meeting, adoption of a decision on the date of their holding, except for extraordinary General meetings convened by the shareholders.
- 13.8.31. Determination of the date of drawing up the list of shareholders who shall be notified of the General meeting and entitled to participate in the General meeting.
- 13.8.32. Notification of the General meeting in accordance with the current legislation of Ukraine.
- 13.8.33. The decision to include proposals in the agenda, except for the convening of extraordinary General meetings by shareholders.
- 13.8.34. Adoption of a decision on the formation of a temporary counting commission in the case the General meeting is convened by the Supervisory Board.
- 13.8.35. Approval of the form and text of the voting ballot.
- 13.8.36. Election of the registration commission, except for the cases established by the current legislation of Ukraine.



13.8.37. Determination of the date of drawing up the list of persons entitled to receive dividends, the procedure and terms of payment of dividends within the time limits defined by the current legislation of Ukraine.

13.8.38. Decision on placement of securities by the Bank, except for shares.

13.8.39. Decision on redemption of securities placed by the Bank, except for shares.

13.8.40. Decision to sell shares previously bought by the Bank.

13.8.41. Decision on granting consent to enter into interested party transactions in cases stipulated by the current legislation.

When deciding to grant consent to interested party transactions, the requirements for the need to evaluate the interested party transaction for compliance of its terms and conditions with the usual market conditions shall not apply.

13.8.42. A decision to grant consent to a major transaction, if the market value of the property, works or services that are the subject of such transaction is between 10 (ten) and 25 (twenty-five) percent of the value of the Bank's assets according to the latest annual financial statements of the Bank.

Making a decision to grant consent to a major transaction if the market value of the property, works or services that are the subject of such transaction exceeds 25 (twenty-five) percent, but less than 50 (fifty) percent of the value of the Bank's assets according to the latest annual financial statements of the Bank. The decision provided for in this paragraph shall be made by the Board of the Bank in case of compliance of the Supervisory Board with the requirements of the legislation on the number of independent Directors on the date of this decision.

In case the Board of the Bank fails to adopt the decision on granting the consent to major transaction provided by the first and second items of this paragraph, the question of such transaction shall be submitted for consideration of the General meeting.

13.8.43. Decision on the election (replacement) of a depository institution, including providing additional services to the Bank and/or a clearing institution and approving the terms of the agreement to be concluded with such institutions, establishing the amount of payment for their services.

13.8.44. The decision on the election of the appraiser of the Bank's property and the approval of the terms of the contract to be concluded with it, the fixation of the amount of payment for its services.

13.8.45. Approval of the market value of the Bank's property in cases stipulated by the current legislation of Ukraine.

13.8.46. Sending an offer to shareholders to purchase ordinary shares (offer) owned by them in accordance with the requirements of the current legislation of Ukraine.

13.8.47. Approval of the procedure for transactions with persons related to the Bank.

13.8.48. Determination of the probability of recognition of the Bank as insolvent as a result of its obligations or their performance, including as a result of payment of dividends or redemption of shares.

13.8.49. Issues related to the current legislation of Ukraine to the competence of the Board in case of merger, affiliation, split-up, spin-off or transformation of the Bank.

13.8.50. Other powers related to the exclusive competence of the Bank Board in accordance with the current legislation of Ukraine, this Charter, Regulations on the Bank Board and decisions of General meetings.

13.9. Issues related to the exclusive competence of the Board of the Bank may not be resolved by other bodies of the Bank, except for the General meetings, except in cases established by the current legislation of Ukraine.

13.10. Powers that under the current legislation of Ukraine are not assigned to the exclusive competence of the Board may be delegated to the Board of the Bank.

13.11. The organizational form of the Board's work shall be a meeting. Meetings of the Board shall be held as necessary, but at least once a quarter. The meeting of the Board for the next year shall be planned and approved by the Board in advance.

Meetings of the Board shall be convened at the initiative of the Chairman of the Board or at the request of one of the members of the Board, the head of the Internal Audit Service of the Bank, the Chairman of the Management Board, one of the members of the Management Board or the National Bank of Ukraine.

13.12. At the request of the Board, members of the Management Board of the Bank and other persons determined by the Board, in particular employees of the Bank, shall participate in its meeting or in consideration of certain issues of the agenda of the meeting.

13.13. A meeting of the Board shall be duly constituted if more than half of its members participate in it.

In case of early termination of the powers of one or more members of the Board and before the election of all members of the Board required, the meeting of the Board of the Bank shall be duly constituted to resolve issues in accordance with its competence, provided that the number of members of the Board, whose powers are valid, is more than half of its members.



13.14. If the number of members of the Board, whose powers are valid, is half or less than half of its members elected in accordance with the requirements of the current legislation of Ukraine by the General meeting, the Board cannot adopt any decisions except for decisions on the convening of an extraordinary General meeting for the election of all members of the Board required.

13.15. The meetings of the Board may be held in the form of a meeting where the Chairman and members of the Board in one place (their physical presence), or by telephone, video conference, web conference or other means of telecommunication or Internet communication. Such meetings shall be equivalent, and the decisions adopted at them shall have the same legal effect.

The Chairman and the member (s) of the Board participating in the meeting of the Board by telephone, video conference, web conference or other means of communication shall be taken into account to determine the quorum of the meeting of the Board, and his / her vote shall be taken into account when voting on issues included in the agenda of the meeting of the Board. To hold such meetings, the Chairman of the meeting is elected directly at the meeting, who by the decision of the Board shall be instructed to hold the meeting, sign the minutes of the meeting of the Board and transfer it to the Chairman of the Management Board of the Bank or another person, by the decision of the Board.

13.16. By decision of the Board, the course of the meeting or consideration of a particular issue may be recorded by technical means.

The decision adopted at the following meetings of the Board shall be formalized in the manner stipulated by the current legislation of Ukraine and the Regulation on the Board of the Bank.

13.17. Decisions of the Board may be taken by absentee voting (polling).

The procedure for absentee voting (polling) shall be determined by the Regulation on the Board.

13.18. Decisions of the Board shall be taken by a simple majority of the votes of the members of the Board participating in the meeting and having the right to vote. During the voting, the Chairman and each member of the Board shall have one vote.

In the case of absentee voting, decisions shall be taken by a simple majority of the members of the Board, from whom the completed and signed ballots for absentee voting have been received within the prescribed period.

In case of equal distribution of votes in the decision-making, the vote of the Chairman of the Board shall be decisive.

13.19. The Board may establish regular or provisional committees from among its members to pre-examine and prepare for consideration at the meeting of matters within the competence of the Board.

The Bank may establish an audit committee, committee for determining remuneration of officials (hereinafter referred to as the "remuneration committee") and an appointment committee. The audit committee, remuneration committee and appointment committee shall be headed by members of the Board who are independent Directors. The majority of the members of these committees, if established, shall be independent members of the Board.

13.20. The procedure for the formation, activities and functions of the committees shall be determined by the current legislation of Ukraine, the Charter and the Regulations on the Board of the Bank, as well as the regulations on such committees approved by the Board.

The decision to establish such committees and the list of issues to be referred to them for review and preparation shall be taken by a simple majority of the members of the Board.

13.21. Upon the proposal of the Chairman of the Board, the Board shall be entitled to elect a Corporate Secretary, who shall be responsible for the interaction of the Bank with shareholders and/or investors. The procedure for election of the Corporate Secretary, requirements for candidates, competence of the Corporate Secretary shall be established in the Regulations on the Corporate Secretary.

#### **Article 14. MANAGEMENT BOARD OF BANK**

14.1. The Management Board of the Bank shall be a permanent collegial executive body of the Bank, which manages the current activities of the Bank, resolves the issue within the competence defined by the current legislation of Ukraine, this Charter and the Regulation on the Management Board, and shall be responsible for the efficiency of the Bank in accordance with the principles and the procedure determined hereby, decisions of the General meeting and the Board of the Bank.

14.2. The Management Board shall act on behalf of the Bank within the powers provided by the current legislation of Ukraine, the Charter of the Bank and this Regulation, shall be accountable to the General meeting and the Board of the Bank and organize the implementation of their decisions.

The Management Board shall act on the basis of the regulations approved by the General meeting. The issues of convening, holding and making decisions by the Board shall be regulated by the Regulation on the Management Board.



14.3. The Management Board shall consist of the Chairman, his deputies and members of the Management Board appointed by the Board of the Bank in the amount of not less than 3 (three) people.

The number of the Management Board shall be determined by the decision of the Board. Deputy Chairmen of the Management Board shall be members of the Management Board by position.

Any individual who has full legal capacity and is not a member of the Board may be a member of the Bank's Management Board.

The Chairman and members of the Management Board of the Bank are prohibited from holding positions in other legal entities (except parent and subsidiary companies, banking unions and associations).

14.4. The National Bank of Ukraine shall define the professional suitability and business reputation of candidates for the positions of Chairman, his deputies and Members of the Management Board of the Bank.

Qualification requirements for business reputation and professional suitability of the Chairman, his deputies and Members of the Management Board of the Bank shall be established by the National Bank of Ukraine.

The Chairman of the Management Board of the Bank shall enter upon office after its approval by the National Bank of Ukraine.

14.5. The Chairman, his deputies and members of the Management Board may not simultaneously be the Chairman or members of the Board of the Bank.

A member of the Management Board may not be a person who is a member (shareholder) of a legal entity competing with the activities of the Bank.

14.6. Shareholders, members of the Board and the Chairman of the Board shall have the right to nominate candidates for the Management Board. Shareholders shall have the right to nominate their own candidacy.

The number of candidates proposed by one shareholder and/or a member of the Board may not exceed the number of members of the Board.

14.7. Candidates who are nominated for the position of the Chairman of the Management Board and member of the Management Board shall meet the following requirements:

- complete higher education;
- have at least five years of experience in the banking and/or financial sector in total, including management positions, at least three years (for the Chairman of the Board);
- experience in the banking and / or financial sector for at least three years in total (for a member of the Management Board);
- meet the qualification requirements for business reputation and professional suitability;
- have an impeccable business reputation.

The professional competence of the Chairman and members of the Management Board shall be defined as a set of knowledge, professional and managerial experience of the individual necessary for the proper performance of duties by the Chairman and members of the Management Board, taking into account the business plan and strategy of the Bank, as well as the functional load and responsibilities of a particular head of the Bank.

14.8. The proposal of a shareholder, a member of the Board or the Chairman of the Management Board to nominate candidates for the Management Board shall be submitted directly to the Board of the Bank.

The proposal of a shareholder, member of the Board or Chairman of the Management Board shall contain:

- surname, name and patronymic (for an individual) or name (for a legal entity) of the shareholder making the offer;
- information on the number, type and category of shares owned by the shareholder who makes the offer;
- name of the body to which the candidate is nominated;
- name, surname and patronymic of the candidate;
- consent of the candidate for appointment as the Chairman or member of the Management Board of the Bank;
- information about the candidate's compliance with the qualification requirements for business reputation and professional suitability.

The data specified in the proposal of the shareholder, member of the Board or Chairman of the Management Board shall be confirmed in writing by the person nominated.

The proposal must be signed by each person who submits it. If the proposal is signed by the shareholder's representative, the proposal shall be accompanied by a power of attorney (duly certified copy thereof) containing the information provided for by the current legislation of Ukraine.

14.9. The decision to include or refuse to include a candidate in the list of candidates for the Management Board of the Bank shall be made by the Board.

The decision to refuse to include a candidate in the list of candidates for the Management Board of the Bank may be taken by the Board only in the case of:

- failure to provide data provided for in paragraph 14.8 hereof;



- if the person who is nominated to the Board does not meet the requirements established hereby and the provisions of the current legislation, including regulatory legal acts of the National Bank of Ukraine.

14.10. The candidate nominated to the Management Board of the Bank shall be entitled to withdraw his / her candidacy at any time by notifying the Bank and the Board in writing.

14.11. The decision on the appointment of the Chairman and members of the Management Board shall be made by a simple majority of votes of the members of the Board participating in the meeting of the Bank, and the vote of the Chairman of the Board shall be decisive in case of equal distribution of votes. Voting shall be held separately on the candidacy of each of the candidates to the Management Board of the Bank.

14.12. If the number of candidates exceeds the number of the Management Board members determined by the Board, the persons with the highest number of votes shall be deemed elected.

14.13. The rights and obligations of the members of the Management Board of the Bank shall be determined by the current legislation of Ukraine, this Charter and Regulations on the Management Board of the Bank, as well as the agreement (contract), which is concluded with each member of the Management Board. Such agreement (contract) shall be signed on behalf of the Bank by the Chairman of the Board or a person authorized to do so by the Board on the terms approved by the Board of the Bank.

14.14. The competence of the Management Board, in particular (but not limited to), shall include the resolution of all issues related to the management of the day-to-day operations of the Bank, except for issues related to the exclusive competence of the General meeting and the Board of the Bank:

14.14.1. Preparation for approval by the Board of the Bank of the draft budget of the Bank, strategy and business development plan of the Bank.

14.14.2. Implementation of the strategy and business plan of the Bank.

14.14.3. Determination of the form and establishment of the procedure for monitoring the Bank's activities.

14.14.4. Implementation of the risk management strategy and policy approved by the Board of the Bank, ensuring the implementation of risk identification, assessment, control and monitoring procedures.

14.14.5. Formation of the organizational structure of the Bank determined by the Board of the Bank.

14.14.6. Development of regulations governing the activities of structural and separate divisions of the Bank in accordance with the development strategy of the Bank.

14.14.7. Approval of internal documents of the Bank, except for those referred to the competence of the General meeting and the Board of the Bank.

14.14.8. Security of the Bank's information systems and systems used to store the assets of the clients.

14.14.9. Informing the Board of the Bank about the performance of the Bank, revealed violations of the current legislation of Ukraine, internal regulations of the Bank and any deterioration of the financial condition of the Bank or such potential deterioration, the level of risks arising in the course of the Bank.

14.14.10. Organization of implementation of decisions of the Board and the General meeting of the Bank.

14.14.11. Preliminary consideration of all issues that are subject to consideration by the General meeting or the Board of the Bank according to the Charter, preparation of relevant materials and proposals on these issues.

14.14.12. Determination of the list of information constituting a trade secret and confidential information on the Bank's activities, determination of the order of their use and protection. Implementation of the Bank's mode of work with information with restricted access, in particular on the maintenance of Bank secrecy, trade secrets and confidential information.

14.14.13. Resolution of issues on the current management of the Bank, its separate divisions, ensuring performance of the tasks assigned to them and observance of the General budget (estimate) of Bank.

14.14.14. Making decisions on write-off of financial instruments and accounts receivable from the Bank's balance sheet at the expense of formed reserves, as well as fixed assets or other assets within the limits of authority established by the Supervisory Board.

14.14.15. Approval of the staff of the regular boards/committees, commissions of the Bank, appointment of their heads and deputy heads, and resolution of organizational issues on their activities in accordance with the regulations approved by the Management Board.

14.14.16. Approval of the staff schedule and its changes within the budget approved by the Board.

14.14.17. Resolution of other issues related to the management of the Bank's day-to-day operations, except for matters within the exclusive competence of the General meeting and the Board of the Bank.

14.15. The competence of the Management Board may be changed by amending the Charter or by a decision of the General meeting or the Board.

14.16. The organizational form of the Management Board's work shall be meetings. The meeting of the Management Board shall be convened to resolve issues related to day-to-day operations on the initiative of the



Bank's Board, Chairman of the Management Board or one of the members of the Management Board. The Management Board of the Bank shall meet as necessary, but at least 2 (two) times a month.

A meeting of the Management Board shall be deemed duly constituted if at least half of its members participate in it. At the invitation of the Management Board, members of the Board and employees of the Bank's structural units have the right to participate in its meeting or in consideration of certain issues on the agenda of the meeting.

The Management Board and the Board may hold joint meetings. The joint meetings of the Management Board and the Board shall be presided over by the Chairman of the Board and, in the absence of the Chairman, by a member of the Board who, in accordance with the decision of the Board, is entrusted with the duties of the Chairman of the joint meetings.

14.17. Decisions of the Management Board shall be made by a simple majority of votes of the members of the Management Board participating in the meeting. Each member of the Management Board shall have one vote.

14.18. Decisions of the Management Board shall be recorded in the minutes of the meeting, which shall be signed by the Chairman and Secretary of the Management Board.

14.19. The Management Board shall be presided over by the Chairman of the Management Board, who manages the work of the Management Board of the Bank and shall be entitled to represent the Bank without an instruction (power of attorney).

The Chairman of the Management Board shall be responsible for the effective operation of the Management Board and the Bank as a whole, coordination of the Management Board with the Board and other collegial bodies. The Chairman of the Management Board shall be entitled to submit proposals to the General meeting and the Board of the Bank in all areas of the Bank's activities.

14.20. The competence of the Chairman of the Management Board (the person performing his duties), in particular (but not limited to), shall include to the following functions:

14.20.1. Without a power of attorney, to represent the interests of the Bank in relations with the state bodies, enterprises, institutions, organizations of all forms of ownership and organizations, in all law enforcement and regulatory bodies; execute on behalf of the Bank any transactions and perform all legally significant actions; sign any agreements and foreign economic contracts; implement other legal actions within the competence defined by the Charter of the Bank, decisions of the General meetings and Board of the Bank.

14.20.2. Without a power of attorney to represent the interests of the Bank in relations with others business entities, citizens of Ukraine and other countries, and any third parties both in the territory of Ukraine and abroad.

14.20.3. Issue power of attorney on behalf of the Bank.

14.20.4. Convene meetings of the Management Board, determine their agenda and vote on the agenda issues.

14.20.5. Distribute responsibilities among members of the Management Board, deputy chairmen, members of the Management Board and determine their functional powers and within the limits of their powers defined by this Charter, the Regulations on the Management Board and the current legislation of Ukraine, delegate certain powers to members of the Management Board and deputy chairmen of the Management Board of the Bank, as well as other employees of the Bank, including on the basis of issued powers of attorney.

14.20.6. Hire and dismiss employees of the Bank, take measures to reward them according to the results of their work and impose disciplinary sanctions in accordance with the current legislation of Ukraine, the Charter and internal documents of the Bank.

14.20.7. Within the scope of its competence, to issue orders, orders and give instructions binding on all employees of the Bank, including separate divisions (branches, representative offices).

14.20.8. Represent the interests of the employer to the labour collective, sign a Collective agreement on behalf of the administration.

14.20.9. Require the convening of extraordinary meetings of the Board of the Bank, to take part in meetings of the Board with the right of consultative vote.

14.20.10. Take part in the General meeting.

14.20.11. Approve job descriptions of Bank employees.

14.20.12. Dispose of the Bank's assets and funds in accordance with the current legislation of Ukraine and the Bank's Charter.

14.20.13. Take measures for pre-trial settlement of disputes, sign claims and complaints, sign all documents relating to litigation claims and complaints, represent the interests of the Bank in courts with all rights granted by law to the plaintiff, the defendant, a third party to the proceedings, including in whole or in part waive the claim, admit the claim, change the subject of the claim, conclude settlement agreement, appeal the decision of the court, file a writ of execution to recover or issue a power of attorney to perform the relevant actions to another person.



14.20.14. Submit issues related to the activities of the Bank to the Management Board, the Board of the Bank, the General meeting in accordance with the established procedure.

14.20.15. Submit proposals to the Board of the Bank on candidates for election to the Management Board.

14.20.16. Perform other functions necessary to ensure the current activities of the Bank.

14.21. The Chairman of the Management Board shall be personally responsible for the activities of the Bank.

14.22. In case of temporary absence of the Chairman of the Management Board (for the period of vacation, business trip, illness, etc.), his duties shall be performed by one of the members of the Board, which in accordance with the established procedure has been agreed by the National Bank for the position of head in the Bank. Performance of duties shall be carried out on the basis of the relevant order.

The person who is temporarily assigned to perform the duties of the Chairman of the Management Board during his / her absence shall have all the powers of the Chairman of the Board provided by the current legislation of Ukraine, the Charter of the Bank and the Regulation on the Board, including acting without a power of attorney on behalf of the Bank and representing its interests in all institutions, enterprises and organizations of all forms of ownership.

14.23. If the Chairman of the Management Board is not appointed to the position, the acting Chairman of the Management Board shall be appointed by the Supervisory Board. The acting Chairman of the Management Board of the Bank in its absence, after coordination with the National Bank of Ukraine, shall have all the powers of the Chairman of the Management Board of the Bank provided by this Charter, this Regulation and the current legislation of Ukraine, including acting without a power of attorney on behalf of the Bank and representing its interests in all institutions, enterprises and organizations.

14.24. The powers of the Chairman, his deputies and members of the Management Board of the Bank shall be terminated by the decision of the Board of the Bank.

#### **ARTICLE 15. INTERNAL AUDIT IN A BANK**

15.1. The Bank shall establish a regular Internal Audit Service of the Bank, which shall be part of the Bank's internal control system.

15.2. The National Bank of Ukraine shall establish requirements for professional training of employees of the Internal Audit Service.

15.3. The Internal Audit Service shall be accountable to the Board of the Bank, report to it and act on the basis of the Regulations approved by the Board of the Bank.

15.4. The Internal Audit Service shall perform the following functions:

- checking and evaluating the effectiveness of risk management systems, compliance of these systems with the types and scopes of operations carried out by the Bank and internal control of the Bank;
- checking the capital adequacy assessment process taking into account the Bank's risks;
- monitoring compliance of the Bank's managers and employees with the requirements of the legislation and internal regulations of the Bank approved by the Bank's Board;
- evaluating information technology management and operations;
- checking correctness and reliability of accounting and financial statements;
- checking financial and economic activities of the Bank;
- checking compliance with qualification requirements and performance of professional duties by employees of the Bank;
- identifying and checking of cases of abuse of authority by Bank officials and the occurrence of a conflict of interest in the Bank;
- checking the accuracy and timeliness of the provision of information to public authorities and management bodies, which exercise supervision over the activities of the Bank within their competence;
- other functions related to the supervision of the Bank.

15.5. The Internal Audit Service shall assess the types of activities of the Bank, the execution of which is ensured by engaging legal entities and individuals on a contractual basis (outsourcing).

15.6. The Internal Audit Service shall prepare and submit to the Board of the Bank reports and proposals on elimination of the revealed violations based on the results of the conducted inspections.

15.7. The head of the Internal Audit Service shall be appointed by the Board of the Bank.

The National Bank of Ukraine shall approve the candidacy of the head of the Internal Audit Service. Requirements to professional suitability and business reputation of the head of Internal Audit Service shall be established by the National Bank of Ukraine.

15.8. The head of the Internal Audit Service cannot hold positions in other banks.



15.9. The decision to dismiss the head of the Internal Audit Service shall be made by the Bank's Board. The decision to dismiss the head of the Internal Audit Service not initiated by him/her shall be mandatory agreed with the National Bank of Ukraine.

15.10. The head of the Internal Audit Service shall be entitled to demand an extraordinary meeting of the Bank's Board.

15.11. The Bank shall be obliged to submit to the National Bank of Ukraine a report on the work of the Internal Audit Service and other documents on the results of the internal audit in accordance with the procedure defined by the regulatory legal acts of the National Bank of Ukraine.

15.12. Employees of the Internal Audit Service in the course of performance of their functional responsibilities may review the documents, information, written explanations on the Bank's activities, including all divisions of the Bank regardless of the country of their location, and affiliated companies of the Bank, the right to access to the system of automation of banking operations and to receive written explanations from the managers and employees of the Bank on issues arising during the audit and its results.

#### **ARTICLE 16. RISK MANAGEMENT**

16.1. The Bank shall create a comprehensive and adequate risk management system, which should take into account the specifics of the Bank, and risk management requirements established by the National Bank of Ukraine. The risk management system shall ensure the detection, identification, assessment, monitoring and control of all types of risks at all organizational levels and assess the adequacy of the Bank's capital to cover all types of risks.

16.2. The Bank shall establish a permanent unit for risk analysis and management, which is responsible for the development and implementation of internal risk management regulations and procedures in accordance with the risk management strategy and policy defined by the Bank's Board.

The structural unit for risk analysis and management shall report to the Board of the Bank and shall be separated from the Internal Audit Service, as well as from other structural units of the Bank carrying out and/or registering operations.

The structural unit of the Bank for risk analysis and management shall inform the Management Board of the Bank about the risks, the acceptability of their level and provides suggestions on the need for decision-making by the Management Board of the Bank.

16.3. In order to provide additional measures for risk management, the Bank shall establish regular committees in accordance with the current legislation of Ukraine.

16.4. The same person may not be the chairman of the credit committee and head of the Bank's risk analysis and management division.

#### **ARTICLE 17. THE BANK'S ACCOUNTING AND REPORTING**

17.1. The Bank shall organize accounting in accordance with the internal accounting policy developed on the basis of the rules established by the National Bank of Ukraine in accordance with national and international accounting standards (regulations) on the basis of complex automation and computerization.

Accounting shall ensure that all banking transactions are recorded in a timely and complete manner and that reliable information is provided on the Bank's assets and liabilities, financial performance and changes in them.

17.2. Financial, statistical and other reports on the work and economic condition of the Bank, as well as the Bank's affiliates established by the current legislation shall be submitted to the National Bank of Ukraine and other bodies in the manner and form determined by the current legislation of Ukraine. Such reporting, in cases stipulated by the current legislation of Ukraine, shall be annually checked by the audit firm.

17.3. Each shareholder who is the owner of a substantial shareholding in the Bank, which is a legal entity, shall provide annual reporting in the manner and form provided by the regulations of the National Bank of Ukraine.

17.4. The results of the Bank's activities shall be reflected in the monthly balance sheets, reports on financial results for the interim period, as well as in the report on financial results for the year, which are submitted to the National Bank of Ukraine in the amount and forms that are established for this purpose.

17.5. Every month, within a certain period of time specified by the National Bank of Ukraine, in order to provide investors, depositors, customers, other users with financial information about the Bank's activities for the month, the Bank shall publish on its own web page information about the balance sheet for the month and the performance of the Bank, which are determined by the National Bank of Ukraine.

17.6. No later than the 30<sup>th</sup> day of the month following the reporting period, the Bank shall publish interim financial statements, the content of which is determined by the National Bank of Ukraine, by posting it on the website of the Bank.

17.7. No later than April 30 of the year following the reporting year, the Bank shall publish the annual financial statements with the auditor's report, as well as information in the scope determined by the National Bank of Ukraine



on the owners of substantial shareholding in the Bank through placement in the media, provided by the current legislation of Ukraine.

17.8. The Bank shall submit to the National Bank of Ukraine and publish on its own website, with the annual financial statements, the Management Report no later than 30 April following the reporting year.

17.9. Other reports provided by the legislation of Ukraine shall also be published (disclosed) by the Bank in the manner and form provided by the current legislation of Ukraine.

17.10. The financial year of the Bank shall correspond to the calendar year and begin on January 01 and end on December 31.

17.11. The Bank shall independently carry out accounting of its activities in accordance with the current legislation of Ukraine.

#### **ARTICLE 18. EXTERNAL AUDIT OF THE BANK**

18.1. The Bank shall ensure the annual audit of financial statements and other information on financial and economic activities by the audit firm in accordance with the legislation of Ukraine, including legal acts of the National Bank of Ukraine, norms and standards of audit approved by the Audit Chamber of Ukraine in accordance with international standards of audit and ethics.

The right to conduct an audit of the Bank shall be given to an audit firm entered into the Register of audit firms that have the right to conduct audits of banks, which is maintained by the National Bank of Ukraine.

18.2. The Bank shall be entitled to conclude contracts for audit of annual financial statements with the same audit firm for no more than 7 (seven) consecutive years.

The Bank shall have no right to conclude contracts for audit of the annual financial statements with the audit firm, which is prohibited to audit the Bank according to the current legislation of Ukraine.

18.3. The Bank shall provide the National Bank of Ukraine with an audit report and other documents on the results of the audit in accordance with the procedure and requirements defined by the regulatory acts of the National Bank of Ukraine.

18.4. Audit of financial and economic activities of the Bank may also be carried out at the request of the shareholder(s), who is (are) the owner (s) of more than 10 (ten) percent of the voting shares of the Bank in the manner and under the conditions specified by the current legislation of Ukraine.

An audit at the request of a shareholder (s) who is (are) the owner of more than 10 (ten) percent of the Bank's voting shares may be conducted no more than 2 (two) times in a calendar year.

18.5. A special audit of financial and economic activities of the Bank, when required, shall be carried out in accordance with the requirements of the current legislation of Ukraine.

#### **ARTICLE 19. DISTRIBUTION OF PROFITS AND COVERING LOSSES OF THE BANK**

19.1. The main summary indicator of the financial results of the Bank shall be the profit, which is formed from the proceeds from its activities (operations) after covering material and equivalent costs, labor costs and other costs provided for by the current legislation of Ukraine.

19.2. The Bank's profit shall be determined in the manner prescribed by the current legislation of Ukraine.

19.3. Taxes and other payments to the budget provided by the legislation of Ukraine shall be made from the profit of the Bank.

19.4. Following the results of the year, the Bank's profit received after deductions to cover the above costs and deductions of amounts intended for the creation and replenishment of the Bank's funds, as well as amounts assigned by the General meeting for other purposes, shall be distributed among shareholders in the form of dividends in proportion to the number of shares owned by them.

The decision on payment of dividends and their amount shall be made by the General meeting of Shareholders of the Bank. Payment of dividends to shareholders of the same type and class may occur in proportion to the number of securities owned by them, and the conditions for payment of dividends (in particular with respect to the terms, method and amount of dividends) shall be the same for all shareholders of the same type and class.

19.5. Dividends on the Bank's shares shall be paid once a year within a period not exceeding six (6) months from the date of adoption of the decision on payment of dividends by the General meeting and exclusively in cash.

19.6. In the case of adoption by the General meeting decision on dividend payment in a period of less than pursuant to paragraph 19.5 hereof, the payment of dividends shall be carried out within the period specified by the General meeting.

19.7. In case of non-payment of dividends within the period specified in paragraph 19.5 hereof, or within the period established by the General meeting in accordance with paragraph 19.6 hereof for the payment of dividends, provided that it is less than the period provided for in paragraph 19.5 hereof, the shareholder shall be entitled to apply to a



notary regarding the notarial writ of execution on the documents for which debt collection shall be carried out in an undisputed manner in accordance with the list established by the Cabinet of Ministers of Ukraine.

19.8. Restrictions on the payment of dividends by the Bank shall be established by the current legislation of Ukraine. In particular, the Bank shall not be entitled to pay dividends if:

- report on the results of the placement of shares is not registered in accordance with the legislation of Ukraine;
- the Bank has an obligation to redeem shares in accordance with the current legislation of Ukraine;
- if such payment leads to a breach of the standard of sufficiency (adequacy) of regulatory capital and/or capital asset.

19.9. For each dividend payment, the Bank's Board shall fix the date of drawing up a list of shareholders who are entitled to receive dividends, the procedure and the term of their payment.

The date of drawing up the list of shareholders who are entitled to receive dividends shall be determined by the decision of the Board, but not earlier than 10 (ten) business days after the date of adoption of such decision by the Board. The procedure for notification of shareholders entitled to receive dividends shall be determined by the Supervisory Board of the Bank.

Within 10 (ten) days after the decision to pay dividends, the Bank shall notify the stock exchange where the shares are admitted to trading of the date, amount, procedure and terms of payment of dividends.

In case of alienation by the shareholder of the shares belonging to it after the date of drawing up the list of shareholders who have the right to receive dividends, but before the date of payment of dividends, the right to receive dividends remains with the shareholder specified in such list.

19.10. Payment of dividends shall be carried out by the Bank through the depository system of Ukraine, in accordance with the current legislation of Ukraine.

19.11. Possible losses of the Bank shall be covered by the reserve fund, other funds and reserves.

The procedure for covering losses and sources of their coverage that are not related to the reduction of the charter capital of the Bank shall be determined by the General meeting of Shareholders.

## **ARTICLE 20. BANKING SECRECY AND CONFIDENTIAL INFORMATION**

20.1. Information about the activities and financial condition of the client, which became known to the Bank in the course of servicing the client and relations with him/her or third parties in the provision of services to the Bank and the disclosure of which may cause material or moral damage to the client shall constitute a banking secrecy.

20.2. The Bank shall maintain banking secrecy on all transactions and information that became known to it in connection with and in the course of its activities, in accordance with the requirements of the current legislation of Ukraine.

20.3. Shareholders, employees of the Bank, as well as persons and organizations that in the performance of their functions or provision of services to the Bank directly or indirectly received confidential information shall not disclose such information and not use it for their own benefit or for the benefit of third parties.

20.4. The procedure for disclosure of banking secrecy shall be determined by the Law of Ukraine "On Banks And Banking Activity".

Persons guilty of violation of the order of disclosure and use of banking secrecy shall be liable under the current legislation of Ukraine.

20.5. The issues related to confidential information and banking secrecy shall be regulated by the current legislation of Ukraine, this Charter, as well as the relevant internal regulations of the Bank.

## **Article 21. PREVENTION OF LEGALIZATION (LAUNDERING) OF THE PROCEEDS OF CRIME OR TERRORIST FINANCING AND FINANCING PROLIFERATION OF WEAPONS OF MASS DESTRUCTION**

21.1. In order to prevent the legalization (laundering) of proceeds from crime, the financing of terrorism and the financing of the proliferation of weapons of mass destruction, the Bank shall establish an internal banking system to prevent the legalization of criminal proceeds/the financing of terrorism.

21.2. The Chairman of the Management Board of the Bank, or the person performing its duties shall be responsible for the organization of compliance with the requirements of the current legislation of Ukraine in the area of prevention of legalization of criminal income/financing of terrorism and the organization of the internal system of prevention of legalization of criminal income/financing of terrorism.

21.3. The internal banking system for preventing the legalization of criminal proceeds/financing of terrorism shall be headed by a designated employee of the Bank, who is independent in his / her activities and is accountable only to the Chairman of the Management Board of the Bank or the person performing its duties.

The designated employee of the Bank shall be a Member of the Management Board of the Bank by position, shall be appointed and dismissed from office in the manner provided for by this Charter for appointment/dismissal of the



members of the Management Board. The candidacy of the designated employee of the Bank shall be agreed by the National Bank of Ukraine.

21.4. In case of absence (due to temporary disability, vacation, business trip, removal from office according to the decision of the National Bank of Ukraine, dismissal from work in the cases provided by the current legislation) of the Bank's designated employee for up to 4 (four) months, Chairman of the Management Board of the Bank shall appoint an employee to perform the duties of a temporarily absent (suspended) designated employee of the Bank. Such an employee shall meet the requirements provided by the regulatory acts of the National Bank of Ukraine, and have the appropriate experience for the temporary performance of these duties.

The person who temporarily performs the duties of the designated employee of the Bank shall be assigned with all the duties and all the rights of the designated employee of the Bank provided by the current legislation of Ukraine, regulations of the National Bank and internal documents of the Bank on the implementation of financial monitoring.

In case of temporary absence of the designated employee of the Bank for more than 4 (four) months, the approval of the candidacy for the position of the designated employee of the Bank by the National Bank of Ukraine shall be carried out in accordance with the requirements of the current legislation of Ukraine.

21.5. The Bank shall develop, implement and continually update the rules of financial monitoring and programs of implementing financial monitoring and other internal documents on financial monitoring taking into account requirements of laws of Ukraine "On Banks And Banking Activity", "On Prevention and Counteraction to Legalization (Laundering) of the Proceeds of Crime or Terrorist Financing and Financing Proliferation of Weapons of Mass Destruction", regulatory legal acts of the National Bank of Ukraine and other legislative acts of Ukraine, regulating relations in the area of prevention and counteraction to legalization (laundering) of proceeds from crime, financing of terrorism and financing proliferation of weapons of mass destruction.

21.6. Rules of financial monitoring, programs of financial monitoring and other internal documents on financial monitoring shall be approved by the management bodies of the Bank in accordance with the procedure established by this Charter upon submission of the designated employee of the Bank.

## **ARTICLE 22. TERMINATION OF THE BANK'S ACTIVITY. THE PROCEDURE OF REORGANIZATION AND LIQUIDATION OF THE BANK**

22.1. The Bank shall terminate its activity as a result of the transfer of all its property, rights and obligations to other business entities - successors (by merger, affiliation, split-up) or as a result of liquidation.

22.2. Reorganization of the Bank by merger, affiliation, spin-off or transformation of its legal form (transformation) shall be carried out by the decision of the shareholders of the Bank.

In case of reorganization of the Bank by means of transformation, the provisions of the current legislation of Ukraine on termination of a legal entity shall not apply to such legal relations. During the reorganization of the Bank by transformation, creditors have no right to demand from the Bank termination or early discharge of the obligation.

22.3. Reorganization of the Bank by the decision of the Bank's shareholders shall be carried out in accordance with the current legislation of Ukraine, subject to the prior permission of the National Bank of Ukraine for the reorganization of the Bank and approval of the National Bank of Ukraine reorganization plan.

In the case of reorganization of the Bank by the decision of the shareholders of the Bank by transformation, the reorganization plan of the Bank shall not be composed.

22.4. The reorganization of the Bank shall start after the approval of the reorganization plan by the National Bank of Ukraine, which in addition to other necessary measures should provide for the submission of relevant documents to the National Bank of Ukraine, necessary for the approval of the Charter of the new Bank or for approval of changes to the Charter of the Bank.

22.5. The Bank shall be considered to be reorganized from the date the relevant entry is made into the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations.

22.6. The Bank can be liquidated:

- by decision of the Bank's shareholders;
- in case of revocation of the banking license by the National Bank of Ukraine on its own initiative or upon the proposal of the Deposit Guarantee Fund.

22.7. The National Bank of Ukraine shall be entitled to revoke a banking license on its own initiative if:

- it has been found that the documents submitted for obtaining a banking license contain inaccurate information;
- the Bank has not performed any banking operations within a year from the date of receipt of the banking license.
- detected repeated violation by the Bank of legislation in the area of prevention and combating the legalization (laundering) of proceeds from crime or the financing of terrorism and the financing of the proliferation of weapons of mass destruction.

The National Bank of Ukraine shall decide on revocation of the Bank's license and liquidation of the Bank upon the proposal of the Deposit Guarantee Fund within 5 (five) days from the date of receipt of such proposal.



No later than the day following the day of the decision to revoke the banking license and liquidation of the Bank, the National Bank of Ukraine shall inform the Bank and send the decision to the Deposit Guarantee Fund.

22.8. Liquidation of the Bank on the initiative of the shareholders of the Bank shall be carried out in the manner prescribed by the legislation of Ukraine on liquidation of legal entities, if the National Bank of Ukraine after receipt of the shareholders' decision on liquidation of the Bank, finds no signs on which the Bank can be classified as problematic or insolvent.

Shareholders of the Bank have the right to start the procedure of liquidation of the Bank by the decision of the General meeting only after the consent of the National Bank of Ukraine and the revocation of the banking license. If the Bank is classified by the National Bank of Ukraine as problematic or insolvent, the National Bank of Ukraine and the Deposit Guarantee Fund shall apply the measures provided for by the current legislation of Ukraine against it.

22.9. On the day of receipt of the decision of the National Bank of Ukraine on liquidation of the Bank, Deposit Guarantee Fund shall acquire the rights of the liquidator of the Bank and begin the procedure of its liquidation in accordance with the current legislation of Ukraine.

22.10. The procedure of liquidation of the Bank shall be considered to be completed, and the Bank shall be liquidated from the date the relevant entry is made into the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations.

The National Bank of Ukraine shall make an entry in the State Register of Banks on liquidation of the Bank on the basis of the decision received from the Deposit Guarantee Fund on approval of the liquidation balance sheet and the report of the liquidator.

22.11. After the liquidation of the Bank its documents shall be archived by the National Bank of Ukraine in accordance with the regulations of the National Bank of Ukraine.

#### **ARTICLE 23. AMENDMENTS AND ADDITIONS TO THE CHARTER OF THE BANK**

23.1. Amendments and / or additions to the Charter of the Bank shall be made on the initiative of the shareholders of the Bank, the Board of the Bank, the Management Board of the Bank in the manner prescribed by the current legislation of Ukraine, including regulations of the National Bank of Ukraine and this Charter.

23.2. The decision to make amendments and / or additions to the Charter of the Bank shall be made by the General meeting of shareholders of the Bank.

23.3. Amendments and / or additions to the Charter of the Bank shall be subject to mandatory agreement with the National Bank of Ukraine and state registration by making an appropriate entry in the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations in the manner prescribed by the legislation of Ukraine.

#### **ARTICLE 24. FINAL CLAUSES**

24.1. This Charter shall become effective from the date the relevant entry is made into the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations.

24.2. Amendments to this Charter shall be made by means of its new wording which shall become effective from the date the relevant entry is made into the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations in accordance with the procedure established by the current legislation of Ukraine.

24.3. The procedure and terms for amending the Charter of the Bank shall be determined by the current legislation of Ukraine.

24.4 If one of the provisions of this Charter is or becomes null and void, then this shall not give grounds for declaring the other provisions invalid. The invalid position shall be replaced by a legally permissible and similar to the meaning of the substituted one.

In case of a conflict between the provisions of the Charter and the applicable law, the provisions of the applicable law shall prevail.

**Acting Chairman of Management  
Board**

*/signed/*

Yu.M. Frolova

*/Seal/*: Kyiv \* Ukraine \* Public Joint Stock Company \* "Bank Alliance" \* Identification number 14360506

**Kyiv**



*Ukraine, the seventeenth of April two thousand eighteen.*

*I, Kravchuk O.P., private notary of Kyiv City Notarial District, hereby certify the authenticity of signature of Acting Chairman of Management Board of PUBLIC JOINT STOCK COMPANY "BANK ALLIANCE" – Frolova Yuliia Mykolaivna, who affixed her signature before me.  
Her identity has been established, her legal capacity and powers have been verified.*

*Recorded in the register under No. 743*

*Collected fees under art. 31 of the Law of Ukraine "On Notaries"*

**PRIVATE NOTARY /signed/ O.P. KRAVCHUK**

**/Official Seal/:** Notary Private \* Kravchuk Olha Petrivna \* Kyiv City Notarial District

**/Stamp/:** Total bound, numbered and sealed 33 (thirty-three) sheets.

Notary Private /signed/

**/Official Seal/:** Notary Private \* Kravchuk Olha Petrivna \* Kyiv City Notarial District

**/Seal/:** Department of Maintenance of Activity of National Bank of Ukraine \* 1 \* Recordkeeping Directorate

**/Stamp/:** Total bound, numbered and sealed 33 (thirty-three) sheets.

Piatnytska A.Yu./signed/

On July 05, 2018, I, Kravchuk O.P., private notary of Kyiv City Notarial District, hereby certify that this is a true copy of the original document. The latter does not contain any erasures, additions, crossed out words and other nonspecific alterations or any distinctions.

Recorded in the register under No. 2113

Collected fees under art. 31 of the Law of Ukraine "On Notaries"

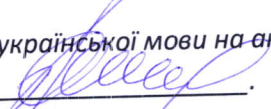
Private notary /signed/ O.P. Kravchuk

**/Official Seal/:** Notary Private \* Kravchuk Olha Petrivna \* Kyiv City Notarial District

**/Stamp/:** Total bound, numbered and sealed 33 (thirty-three) sheets.

Notary Private /signed/

**/Official Seal/:** Notary Private \* Kravchuk Olha Petrivna \* Kyiv City Notarial District

Переклад даного документа з української мови на англійську мову виконано мною, перекладачем  
Юдіною Євгенією Юріівною 

Translation of the document from Ukrainian into English was made by translator Yudina Yevheniia  
Yuriivna /Signature/

M. Ku-