



RUSSIAN FEDERATION

FEDERAL LAW
“ON BANK
FOR DEVELOPMENT”

as of May 17, 2007. No. 82-FZ

Passed by the State Duma April 20, 2007
Approved by the Federation Council May 4, 2007
(as amended by Federal Laws Nos. 340-FZ of 25 December 2009,
437-FZ of 29 December 2010, 200-FZ of 11 July 2011,
236-FZ of 18 July 2011, 305-FZ of 07 November 2011,
85-FZ of 25 June 2012, 240-FZ of 21 July 2014,
185-FZ of 29 June 2015, 406-FZ of 29 December 2015,
360-FZ of 03 July 2016, 267-FZ of 29 July 2017,
454-FZ of 29 December 2017)

Published May 24, 2007
Effective as of June 4, 2007



**BANK
FOR DEVELOPMENT**

STATE CORPORATION "BANK FOR DEVELOPMENT
AND FOREIGN ECONOMIC AFFAIRS
(VNESHECONOMBANK)"

Federal law
"On Bank for Development"

Section 1. Scope

Scope

This Federal Law establishes the legal status, organisational principles, incorporation and business purposes, reorganisation and liquidation procedures for the development bank, State Corporation “Bank for Development and Foreign Economic Affairs (Vnesheconombank)” (“Vnesheconombank”).

Section 2

Legal status of Vnesheconombank

1. Vnesheconombank is a state corporation established by the Russian Federation with the status, business purposes, functions and powers governed by this Federal Law, other federal laws and associated regulations of the Russian Federation.
2. Vnesheconombank shall have a common seal bearing the coat of arms of the Russian Federation and its full name.
3. The registered office of Vnesheconombank shall be in Moscow.
4. The full name of the state corporation shall be государственная корпорация «Банк развития и внешнеэкономической деятельности (Внешэкономбанк)». The short name of the corporation shall be Внешэкономбанк.

5. The full name of the corporation in English shall be State Corporation "Bank for Development and Foreign Economic Affairs (Vnesheconombank)". The short name of the corporation in English shall be Vnesheconombank. (introduced by Federal Law No. 454-FZ of 29 December 2017)
6. Vnesheconombank shall be entitled to open accounts with the Federal Treasury in accordance with the budget legislation of the Russian Federation. (introduced by Federal Law No. 454-FZ of 29 December 2017)
7. Vnesheconombank's operations shall be subject to control and supervision by the Accounts Chamber of the Russian Federation and other government authorities of the Russian Federation in accordance with the laws of the Russian Federation. (introduced by Federal Law No. 454-FZ of 29 December 2017)

Section 3

Business purposes and functions of Vnesheconombank (as amended by Federal Law No. 340-FZ of 29 December 2017)

1. Vnesheconombank shall act to facilitate the long-term social and economic development of the Russian Federation, create the conditions for sustainable economic growth, improve investment efficiency and expand investment in the Russian economy by implementing projects domestically and abroad, including foreign direct investment projects aimed at developing infrastructure, industrial production, innovation and special economic zones, protecting the natural environment, enhancing energy efficiency, promoting exports and helping Russian industrial products (goods, work, services) to expand into foreign markets and by carrying out other projects and/or transactions as part of investment, foreign economic, advisory

and other activities provided for by this Federal Law (“Vnesheconombank’s projects”).

2. Vnesheconombank may be involved in entrepreneurial activities only to the extent that such activities serve and fulfil the purposes specified in Section 3(1). Vnesheconombank’s profits generated by its activities shall be transferred to Vnesheconombank’s funds and used solely for the purposes specified in Section 3(1).
3. To achieve its business purposes, Vnesheconombank shall perform the principal functions listed below:
 - 1) finance Vnesheconombank’s projects, including, inter alia, lending, debt and equity financing, issuance of guarantees and suretyships securing the obligations of any third parties (other than individuals, including individual entrepreneurs);
 - 2) participate in Vnesheconombank’s projects related to the provision and/or arrangement of syndicated loans and act for the lenders in their relationships with the borrower and third parties as provided for by the laws of the Russian Federation and the applicable foreign legislation;
 - 3) participate in Vnesheconombank’s projects on the principles of partnership, shared profits and losses, no interest charged and no ambiguities in contracts providing, inter alia, for any transfer of funds or other property with deferred payments and instalment payments or any future transfer of property or any pooling of project participants’ contributions for investment in Vnesheconombank’s projects, including participation in project management, issuance of securities or provision of agency services, in accordance with the applicable foreign legislation;

- 4) participate in financing Vnesheconombank's projects providing for the right to acquire stakes (shares) in the authorised capital of the borrower or any other organisation involved in Vnesheconombank's projects or acquire title to property resulting from the implementation of Vnesheconombank's projects;
- 5) participate in implementing Vnesheconombank's projects aimed at increasing the competitiveness of the Russian economy, including the high-technology manufacturing sector;
- 6) support projects under the Russian government-approved programme for the accelerated development and use of high-potential industrial technology by participating in expert review in respect of such projects and providing project participants with bank support, settlement services and funding, including lending, equity financing and issuance of guarantees for such projects;
- 7) provide financial and guarantee support for the export of Russian industrial products (goods, work, services) and arrange financial, insurance, guarantee and other support for the export of Russian industrial products (goods, work, services) as provided for by this Federal Law and other regulations of the Russian Federation;
- 8) participate in providing financial and guarantee support for the sale of industrial products (goods, work, services) originating in foreign countries, provided that Russian components of such products (goods, work, services) account for at least 30 per cent of their cost (including the cost of associated work (services) technologically necessary (required) for and integral to such products (goods, work, services));

- 9) conduct lease transactions;
- 10) issue suretyships securing the monetary obligations of any third parties (other than individuals, including individual entrepreneurs) involved in Vnesheconombank's projects, credit institutions and, as resolved by Vnesheconombank's supervisory board, any other entities (other than individuals, including individual entrepreneurs) not involved in Vnesheconombank's projects;
- 11) issue bank guarantees for the payment of taxes, levies, insurance contributions, late payment interest and penalties subject to the Tax Code of the Russian Federation, bank guarantees securing the obligations of any third parties (other than individuals, including individual entrepreneurs) and required in accordance with the laws of the Russian Federation and bank guarantees for the payment of customs duties and fees in accordance with the laws of the Eurasian Economic Union and the applicable customs legislation of the Russian Federation to secure the obligations of corporate entities involved in Vnesheconombank's projects;
- 12) participate in Vnesheconombank's projects related to non-defence and dual-use goods produced by defence industry companies;
- 13) organise the monitoring and supervision of compliance by Vnesheconombank's project participators with Vnesheconombank's project requirements and provide bank support for Vnesheconombank's projects;
- 14) provide banking services for publicly funded loans where such loans are provided to support the export of Russian industrial products (goods, work, services), including loans for the construction of facilities abroad, the supply of

complete equipment and the issuance of bank guarantees for Russian entities participating in international bidding procedures and performing export contracts;

- 15) organise and conduct expert review in respect of Vnesheconombank's projects, including analysis of financial, economic, social and other development in the economic sectors where Vnesheconombank's projects are implemented (sectoral expert review) and engineering review;
 - 16) provide fee-based investment and financial advice for Vnesheconombank's projects, including finance structuring for Vnesheconombank's projects and searching for and attracting investors.
4. To achieve its business purposes, Vnesheconombank shall also perform other functions listed below:
- 1) acquire interests (shares, units) in the authorised capital of companies, investment funds and mutual funds;
 - 2) arrange funding (including loans and credit facilities) and raise financing (including loans and credit facilities, including subordinated loans and facilities), including, inter alia, in financial markets;
 - 3) issue bonds and other securities in accordance with the laws of the Russian Federation and the applicable foreign legislation;
 - 4) acquire receivables with monetary obligations from third parties and issue 39-FZ (issue-grade) securities secured with such receivables;
 - 5) participate in transactions with the parties' obligations to make payments based on changes in commodity and

securities prices, currency exchange rates, interest rates and inflation rates;

- 6) exercise the rights and perform the obligations specified in the currency legislation of the Russian Federation in respect of authorised banks, including the rights and obligations of a currency control agent;
- 7) participate in public programmes, federal targeted programmes and projects, including foreign economic programmes and projects, including for government support for the export of Russian industrial products (goods, work, services) as provided for by federal laws and other regulations of the Russian Federation;
- 8) participate in projects aimed at developing special economic zones, free-trade zones and other areas including the construction of infrastructure and industrial facilities and providing financial support for top-priority socio-economic development areas, territorial innovation clusters, single-industry municipalities (towns) and, as prescribed by the Government of the Russian Federation, take part in PPP-based investment projects of nationwide significance;
- 9) participate in projects implemented by the Russian Federation as part of promoting international development and integration;
- 10) interact with international development organisations, corporations and foreign development institutions and take part in projects implemented by international development organisations, corporations and foreign development institutions in the Russian Federation and abroad;

- 11) join associations, unions and other non-profit organisations established in accordance with the laws of the Russian Federation and foreign countries to facilitate economic development and investment;
- 12) establish branches, representative offices and corporate entities in accordance with the laws of the Russian Federation and foreign countries;
- 13) exercise corporate (member) rights and perform obligations in respect of corporate entities of which it is a shareholder (member), exercise the rights of a founder member in respect of its incorporated corporate entities that are unitary corporate entities and, in respect of some of the above-mentioned corporate entities on the list approved by Vnesheconombank's supervisory board ("Vnesheconombank's entities"), define their principal business areas and priorities, risk management policies and idle cash (liquidity) management policies and provide them with financial and guarantee support;
- 14) manage Vnesheconombank's idle cash (liquidity) and implement measures to increase the resources of Vnesheconombank's entities and improve their financial condition;
- 15) perform expert and analysis activities in order to identify factors in Russian economic growth and search for and select projects consistent with such factors, taking into account their impact on sustainable development and energy efficiency enhancement and private investment in such projects and provide investment and financial advice for project participants;
- 16) interact with federal government authorities, government authorities of Russian constituent entities and local government authorities and with foreign government author-

ities and organisations and international organisations and enter into agreements (treaties) with such authorities and organisations in relation to Vnesheconombank's business purposes;

- 17) manage cash assets and other property owned, inter alia, by the government and hold federal property in safekeeping in accordance with the laws of the Russian Federation in order to implement Vnesheconombank's projects;
 - 18) handle national security information and other restricted and confidential information in accordance with the prescribed procedure and ensure protection thereof.
5. As instructed by the President of the Russian Federation and the Prime Minister of the Russian Federation, Vnesheconombank shall participate in the implementation of Vnesheconombank's projects of nationwide, strategic or high priority significance to the Russian economy even if they are not consistent with the principal areas, targets, limitations or principles applicable to Vnesheconombank's investment and financial activities in accordance with the procedure specified in this Federal Law.
 6. Members of the collegial bodies of corporate entities established by Vnesheconombank, entities of which Vnesheconombank is a shareholder (member) and/or their subsidiaries shall have the right to simultaneously be members of the collegial bodies of corporate entities established by Vnesheconombank, entities of which Vnesheconombank is a shareholder (member) and/or their subsidiaries and public or federal officers as provided for by the laws of the Russian Federation.
 7. In performing the functions provided for hereby and for liquidity and risk management purposes, Vnesheconombank shall conduct the following banking operations:

- 1) open and maintain bank accounts of:
 - a) corporate entities involved in Vnesheconombank's projects;
 - b) corporate entities deemed to control or be controlled by corporate entities involved in Vnesheconombank's projects under the laws of the Russian Federation;
 - c) Vnesheconombank's entities on the list specified in Section 3(4)(13);
 - d) Russian credit institutions and foreign banks, international banks and clearing houses (correspondent accounts);
 - e) the Bank of Russia, credit institutions in the Russian Federation, foreign banks and international clearing houses (correspondent accounts). Bank accounts of the corporate entities referred to in Sections 3(7)(1)(a) and 3(7)(1)(b) shall be opened and maintained by Vnesheconombank for the purposes of performing the function stipulated by Section 3(3)(13).
- 2) take deposits from corporate entities having accounts with Vnesheconombank. Bank accounts of the corporate entities referred to in Sections 3(7)(1)(a) and (b) shall be opened and run by Vnesheconombank for the purposes of performing the function stipulated by Section 3(3)(13). The amount of deposits taken by Vnesheconombank from the corporate entities specified in Sections 3(7)(1)(a) and 3(7)(1)(b) and held in such entities' accounts with Vnesheconombank shall not exceed the amount of Vnesheconombank's receivables arising out of monetary obligations under Vnesheconombank's projects;

- 3) invest on its own behalf and at its own expense the deposits taken under Sections 3(7)(2) and 3(7)(8);
- 4) make wire transfer payments on behalf of corporate entities having accounts with Vnesheconombank;
- 5) carry out foreign exchange transactions on a cash and non-cash basis;
- 6) provide cash-and-valuables-in-transit services for cash, bills, promissory notes and settlement documents and payment and cash services for corporate entities having accounts with Vnesheconombank;
- 7) issue bank guarantees to corporate entities involved in Vnesheconombank's projects and/or corporate entities deemed to control or be controlled by corporate entities involved in Vnesheconombank's projects under the laws of the Russian Federation and, as resolved by Vnesheconombank's supervisory board, any other corporate entities not involved in Vnesheconombank's projects;
- 8) open and maintain bank accounts of, and take deposits from, corporate entities as specifically resolved by the Government of the Russian Federation where not provided for by Sections 3(7)(1) and 3(7)(2). The Government of the Russian Federation has the right to pass specific resolutions under this Section 3(7)(8) aimed to ensure Vnesheconombank's financial stability, create the conditions for Vnesheconombank's ability to meet its obligations under agreements to raise or provide financing, diversify the sources of financing for Vnesheconombank's participation in public programmes, federal targeted programmes and projects, including foreign economic projects, and create the conditions for financial support for some of Vnesheconombank's projects of nationwide, strategic or high

priority significance to the Russian economy. The amount of deposits taken by Vnesheconombank under Section 3(7)(8) and held in bank accounts with Vnesheconombank under Section 3(7)(8) shall not exceed Vnesheconombank's equity;

- 9) raise funds in the domestic and external financial markets, including the interbank lending market.
8. Vnesheconombank shall be entitled to take deposits from the National Wealth Fund of the Russian Federation in accordance with the procedure and upon the terms and conditions prescribed by the Government of the Russian Federation. Vnesheconombank shall be entitled to take deposits from the federal budget in accordance with the procedure prescribed by the Government of the Russian Federation.
9. In order to meet the capital adequacy requirements, Vnesheconombank shall be entitled to take deposits from the National Wealth Fund of the Russian Federation as specifically resolved by the Government of the Russian Federation for at least five years unless the relevant deposit agreements expressly or by implication provide for the right to the early repayment of any deposit or part thereof, early payment of interest on deposits or early termination of deposit agreements.
10. In performing its functions and for liquidity and risk management purposes, Vnesheconombank shall, apart from the banking operations specified in Section 3(7), have the right to:
 - 1) issue suretyships securing the monetary obligations of the entities specified in Section 3(3)(10);
 - 2) acquire receivables with monetary obligations from third parties;

- 3) conduct interbank operations, including deposits and loans taken from and given to credit institutions and settlements through correspondent accounts;
 - 4) sell and purchase property under Vnesheconombank's projects specified in Section 3(3)(3) as provided for by the laws of the Russian Federation and the applicable foreign legislation;
 - 5) provide advisory and information services.
11. Vnesheconombank shall be entitled to carry out dealer and depositary activities in the securities market in order to meet the liquidity requirements and manage its risks. Vnesheconombank shall have the right to carry out dealer and depositary activities in the securities market, manage securities, cash assets and other property, including state-owned property, in order to implement Vnesheconombank's projects and fulfil the functions specified in Sections 21(1), 21(1.1.) and 21(2).

Section 3.1

Export support functions (introduced by Federal Law No. 185-FZ of 29 June 2015)

1. The export support functions specified in Section 3 hereof shall be performed by Vnesheconombank, JSC Russian Export Centre ("Russian Export Centre"), JSC Export Insurance Agency of Russia, State Specialised Russian Export-Import Bank (JSC) and their subsidiaries.
2. The financial, insurance, guarantee and other export support functions specified in Section 3 hereof shall be performed by Vnesheconombank and Russian Export Centre, a wholly owned subsidiary of Vnesheconombank, as provided for by

this Federal Law, regulations of the Government of the Russian Federation and resolutions of the authorised governing bodies of the above organisations.

3. Vnesheconombank shall exercise the rights of a shareholder of Russian Export Centre as resolved by Vnesheconombank's supervisory board. The authorised capital of Russian Export Centre shall be formed in the amount and in accordance with the procedure prescribed by Vnesheconombank's supervisory board.
4. Vnesheconombank shall be responsible for coordinating export support activities of Russian Export Centre, JSC Export Insurance Agency of Russia and State Specialised Russian Export-Import Bank (JSC).
5. Members of the boards of directors (supervisory boards) of Russian Export Centre and its subsidiaries shall have the right to simultaneously be members of the boards of directors (supervisory boards) of Russian Export Centre and/or its subsidiaries and public or federal officers as provided for by the laws of the Russian Federation.
6. The General Director of Russian Export Centre shall be appointed and dismissed as resolved by General Shareholders' Meeting of Russian Export Centre.
7. Russian Export Centre's operations shall be subject to control and supervision by the Accounts Chamber of the Russian Federation and other government authorities of the Russian Federation in accordance with the laws of the Russian Federation.
8. In accordance with the procedure prescribed by the Government of the Russian Federation, Russian Export Centre shall:
 - 1) participate in the implementation of the government's policy on promoting and supporting Russian exports,

including facilitating the implementation of public and other projects related to the export of goods (work, services);

- 2) provide information and advisory support for exporters, Russian investors operating outside the Russian Federation, their foreign counterparties in the relevant transactions, Russian and foreign credit institutions and other organisations providing financial support for the above entities;
 - 3) provide Russian exporters and other stakeholders with access to information on export support measures and export support activities of authorised government agencies of the Russian Federation and constituent entities of the Russian Federation;
 - 4) provide assistance for non-profit organisations representing businesses engaged in foreign economic activities;
 - 5) contribute to promoting Russian industrial products (goods, work, services) abroad, including support for participation in trade exhibitions, marketing and other activities, interaction with authorised executive agencies of the Russian Federation and constituent entities of the Russian Federation;
 - 6) provide assistance for entities acting as export intermediaries;
 - 7) perform other export support activities.
9. The interaction between Russian Export Centre and federal executive bodies, State Atomic Energy Corporation Rosatom, including as part of drafting federal laws and other regulations of the Russian Federation in relation to the functions and

powers of Russian Export Centre provided for by this Federal Law, orders of the Government of the Russian Federation and the Articles of Association of Russian Export Centre, shall be regulated by the Government of the Russian Federation.

10. In accordance with the procedure prescribed by the Government of the Russian Federation, JSC Export Insurance Agency of Russia shall:
 - 1) provide export credit and investment insurance against business and political risks to exporters, Russian investors operating outside the Russian Federation, their foreign counterparties in the relevant transactions, Russian and foreign credit institutions financing the relevant transactions and other organisations providing financial support for the above entities;
 - 2) secure the obligations of foreign counterparties in respect of export and investment outside the Russian Federation, including by issuing independent guarantees, suretyships and, as prescribed by the Government of the Russian Federation, and other security for obligations in relation to projects of nationwide, strategic or high priority significance to the Russian economy;
 - 3) perform other export support activities.
11. JSC Export Insurance Agency of Russia shall provide export credit and investment insurance as required by this Federal Law, the procedure for providing export credit and investment insurance against business and/or political risks specified in Section 3.1(10) and the general provisions of the civil legislation of the Russian Federation.
12. Sections 927(1), 929(1), 933(1), 933(3), 938, 942(1), 943(3), 944(2), 944(3), 950 and 956 of Part 2 of the Civil Code of the

Russian Federation shall not be applicable to relationships in export credit and investment insurance against business and/or political risks.

13. The provisions of the insurance legislation of the Russian Federation shall not be applicable to JSC Export Insurance Agency of Russia. JSC Export Insurance Agency of Russia is not required to hold any permit (licence) to carry out its export credit and investment insurance activities.
14. The procedure regulating export credit and investment insurance against business and political risks specified in Section 3.1(10) establishes, inter alia:
 - 1) the requirements applicable to insurance rules, including the requirements applicable to parties to insurance contracts, beneficiaries, insurable interests, insurance coverage, premiums, rates, insured risks, events, security for parties' obligations, procedures for entering into, performing, terminating and cancelling insurance contracts and parties' liability contracts;
 - 2) the requirements applicable to financial stability of JSC Export Insurance Agency of Russia, including the establishment and use of its insurance fund and other provisions and reserves;
 - 3) the requirements applicable to the activities of JSC Export Insurance Agency of Russia in connection with financial support received from Vnesheconombank in the form of guarantees and/or otherwise and government support under the budget legislation of the Russian Federation, including subsidies, public funding and government guarantees of the Russian Federation;

- 4) the procedure and method for supervision over activities of JSC Export Insurance Agency of Russia.
15. State Specialised Russian Export-Import Bank (JSC) shall:
- 1) provide financing for exporters, Russian investors operating outside the Russian Federation, their foreign counterparties in the relevant transactions, Russian and foreign credit institutions and other organisations providing financial support for the above entities;
 - 2) secure the obligations of Russian exporters, their foreign counterparties in the relevant transactions, Russian and foreign credit institutions financing the relevant transactions and other organisations providing financial support for the above entities, including by issuing bank guarantees, suretyships and otherwise;
 - 3) perform other export support activities.
16. Russian Export Centre, JSC Export Insurance Agency of Russia and State Specialised Russian Export-Import Bank (JSC) may act as recipients of federal subsidies and government support provided in any other forms specified in the laws of the Russian Federation and in accordance with the procedure prescribed by the Government of the Russian Federation and act as an agent for the Government of the Russian Federation in respect of export support, except for the functions of an agent for the Government of the Russian Federation in respect of the government guarantees specified in the federal law on federal budget.
17. JSC Export Insurance Agency of Russia, State Specialised Russian Export-Import Bank (JSC) and other companies of which Russian Export Centre is a member may be composed of a sole member that is another company composed of a sole person.

18. The legal names of Russian Export Centre, JSC Export Insurance Agency of Russia, State Specialised Russian Export-Import Bank (JSC) may include the words “Russian Federation” or “Russia” or their derivatives.

Section 4

Legal framework for Vnesheconombank’s activities

1. Vnesheconombank’s legal status and activities shall be governed by this Federal Law, other federal laws and the associated regulations of the Russian Federation.
2. The laws on banks and banking shall apply to Vnesheconombank’s activities unless otherwise provided for by this Federal Law and subject to the specific requirements established hereby.
 - 2.1. Vnesheconombank may issue 39-FZ (issue-grade) securities and act as a professional securities market participant as provided for by Federal Law No. 39-FZ of 22 April 1996 “On the Securities Market” and this Federal Law. (introduced by Federal Law No. 454-FZ of 29 December 2017)
 - 2.2. The members of Vnesheconombank’s management board, Vnesheconombank’s chairman and deputy chairmen, head of Vnesheconombank internal control function shall meet the relevant requirements established by Federal Law No. 39-FZ of 22 April 1996 “On Securities Market”. Nominees for the above-mentioned posts may be approved without the Bank of Russia’s consent. (introduced by Federal Law No. 454-FZ of 29 December 2017)
 - 2.3. Vnesheconombank’s chairman or deputy chairmen shall be responsible for approving and signing documents, taking the decisions related to the issuance and trading of 39-FZ (issue-

grade) securities under Federal Law No. 39-FZ of 22 April 1996 “On the Securities Market” and the associated regulations of the Bank of Russia, except for any documents and decisions that are subject to approval and signing by Vnesheconombank’s supervisory board or management board. (introduced by Federal Law No. 454-FZ of 29 December 2017)

3. The following provisions of the laws on banks and banking shall not apply to Vnesheconombank:
 - 1) the provisions regulating the state registration of credit institutions and the issuance of banking licences;
 - 2) the provisions regulating the liquidation or reorganisation of credit institutions;
 - 3) the provisions regulating the provision of information about activities of credit institutions;
 - 4) the provisions regulating specific types of banking operations and transactions if the procedure prescribed by the laws on banks and banking is in conflict with this Federal Law;
 - 5) the requirements applicable to the stability and financial reliability of credit institutions and compliance with other mandatory requirements and regulations.
4. Any relationships resulting from the performance by Vnesheconombank of its functions specified in this Federal Law shall be subject to the Civil Code of the Russian Federation and the associated federal laws and Federal Law No. 115-FZ of 7 August 2001 “On Anti-money Laundering and Combating the Financing of Terrorism” applicable to credit institutions. Any relationships resulting from the performance by Vnesheconombank of its activities as a collateral manager, financ-

ing agent, trust manager or party to an ordinary partnership agreement for business purposes shall be subject to the Civil Code of the Russian Federation and the associated federal laws applicable to businesses. (as amended by Federal Law No. 454-FZ of 29 December 2017)

5. Sections 32(3), 32(5), 32(7), 32(10) and 32(14) of Federal Law No. 7-FZ of 12 January 1996 “On Non-Profit Organisations” in respect of supervision over activities of non-profit organisations shall not be applicable to Vnesheconombank.
6. The key investment and lending areas and targets, quantitative limits on borrowings, other lending limits, general terms and conditions, maturities, equity financing and guarantee procedures, key debt recovery measures and guidelines, general financial support measures for Vnesheconombank’s entities shall be specified in the Memorandum on the Financial Policy of Vnesheconombank (the “Memorandum”) approved by the Government of the Russian Federation. (as amended by Federal Law No. 454-FZ of 29 December 2017)
7. The preparation procedure, contents and effective term of the Memorandum shall be determined by the Government of the Russian Federation.
8. The functions, powers and operating procedures of Vnesheconombank’s governing bodies shall be specified in this Federal Law and the regulations for Vnesheconombank’s governing bodies approved by Vnesheconombank’s supervisory board (the “regulations for Vnesheconombank’s governing bodies”). (as amended by Federal Law No. 454-FZ of 29 December 2017)
9. Vnesheconombank shall be responsible for trust management and safekeeping in respect of federal property as specifically resolved by the Government of the Russian Federation. (introduced by Federal Law No. 454-FZ of 29 December 2017).

Section 5

Vnesheconombank’s assets

1. Vnesheconombank’s assets shall be composed of the property received as a result of the reorganisation of the Bank for Foreign Economic Affairs of the USSR, Vnesheconombank’s profits generated from its activities and transferred to Vnesheconombank’s funds and asset contributions of the Russian Federation, including subsidies in the form of asset contributions of the Russian Federation, voluntary asset contributions and charitable donations and other lawful proceeds. (as amended by Federal Law No. 454-FZ of 29 December 2017)
 - 1.1. Vnesheconombank shall be the owner of its assets. (introduced by Federal Law No. 454-FZ of 29 December 2017)
 2. Vnesheconombank shall not be liable for any obligations of the Russian Federation. The Russian Federation shall not be liable for Vnesheconombank’s obligations.
 3. Vnesheconombank shall use its assets solely for the purposes of its establishment.

Section 6

Relationships between government authorities and local government authorities and Vnesheconombank

1. Government authorities of the Russian Federation, constituent entities of the Russian Federation and local government authorities may not interfere in Vnesheconombank’s activities aimed at achieving its business purposes specified in this Federal Law unless otherwise provided for by this Federal Law or

other federal legislation. (as amended by Federal Law No. 454-FZ of 29 December 2017)

2. The Government of the Russian Federation shall have the right to:
 - 1) appoint and remove members of Vnesheconombank's supervisory board;
 - 2) approve the regulations for Vnesheconombank's supervisory board;
 - 3) approve the Memorandum;
 - 4) perform other functions specified in this Federal Law.
3. Compliance with the Memorandum shall be ensured with the yearly submission by Vnesheconombank of its annual financial statements, related auditor's reports and the opinion of Vnesheconombank's internal control function in respect of the audit of the financial statements and other documents provided for by this Federal Law. (as amended by Federal Law No. 454-FZ of 29 December 2017)
4. The Memorandum may determine the contents and deadline for the provision of information (additional materials) to be submitted to the Government of the Russian Federation and the Bank of Russia.

Section 7

Vnesheconombank's financial statements

1. The reporting year of Vnesheconombank shall be from 1 January to and including 31 December of each calendar year.
2. Vnesheconombank shall keep its financial records in accordance with the accounting rules applicable to credit institutions of the Russian Federation subject to the specific accounting requirements prescribed by the Bank of Russia.
3. Vnesheconombank's annual report shall be prepared annually on or before 30 April in the year following the reporting year and shall be approved by Vnesheconombank's supervisory board on or before 15 June in the year following the reporting year.
4. Vnesheconombank's annual report, including its financial statements, shall be published. (as amended by Federal Law No. 454-FZ of 29 December 2017)
5. Vnesheconombank's annual report shall include a report on Vnesheconombank's activities in the reporting period, annual financial statements, a statement of cash flows, a statement of changes in equity, a statement of retained earnings, a statement of creation and utilisation of reserves and provi-

sions and any other information as resolved by Vnesheconombank's supervisory board. Vnesheconombank's annual report shall include Russian Export Centre's performance report as required by Vnesheconombank's supervisory board. Vnesheconombank's annual report shall include Russian Export Center's activity report as required by Vnesheconombank's supervisory board. (as amended by Federal Laws Nos. 437-FZ of 29 December 2010, 185-FZ of 29 June 2015, 454-FZ of 29 December 2017)

6. Vnesheconombank's annual financial statements shall include a balance sheet and a statement of profit and loss. (as amended by Federal Law No. 454-FZ of 29 December 2017)
7. Information about Vnesheconombank's activities shall be published on its official website as provided for by Section 7.1 of Federal Law No. 7-FZ of 12 January 1996 "On Non-profit Organisations". (introduced by Federal Law No. 437-FZ of 29 December 2010).

Section 8

Audit of Vnesheconombank

1. Vnesheconombank's supervisory board shall appoint through a bidding procedure the auditor to audit Vnesheconombank's annual financial statements. (as amended by Federal Law No. 454-FZ of 29 December 2017)
2. The auditor shall conduct a statutory audit of Vnesheconombank's annual financial statements before they are approved by Vnesheconombank's supervisory board. (as amended by Federal Law No. 454-FZ of 29 December 2017)

3. The auditor's report shall be published with Vnesheconombank's annual financial statements. (as amended by Federal Law No. 454-FZ of 29 December 2017)
4. Responsibility for Vnesheconombank's internal audit shall lie with the internal control service. The activities of Vnesheconombank's internal control service shall be regulated by its supervisory board.
5. Vnesheconombank's supervisory board shall have the right to request an extraordinary audit of Vnesheconombank's financial statements subject to Sections 8(1) – 8(3) (as amended by Federal Law No. 454-FZ of 29 December 2017).

Section 9

Vnesheconombank's governing bodies

1. Vnesheconombank's governing bodies shall include Vnesheconombank's supervisory board, Vnesheconombank's management board and Vnesheconombank's chairman.
2. Remuneration and/or compensation payable to the members of Vnesheconombank's management board shall be approved by Vnesheconombank's supervisory board.
3. Remuneration and/or compensation payable to the members of Vnesheconombank's supervisory board shall be approved by the Government of the Russian Federation.

Section 10

Vnesheconombank's supervisory board

1. Vnesheconombank's supervisory board shall be Vnesheconombank's supreme governing body. Vnesheconombank's supervisory board shall be composed of eight members and Vnesheconombank's chairman.
2. The chairman of Vnesheconombank's supervisory board shall be the Prime Minister of the Russian Federation.

3. Vnesheconombank's chairman shall be a member of Vnesheconombank's supervisory board by virtue of his/her position.
4. The members of Vnesheconombank's supervisory board shall be appointed for a term of five years by the Government of the Russian Federation.
5. The members of Vnesheconombank's supervisory board except for Vnesheconombank's chairman shall not be Vnesheconombank's permanent employees.
6. The dismissal of a member of Vnesheconombank's supervisory board from public service shall not constitute grounds for the termination of his/her membership on the board.
7. The members of Vnesheconombank's supervisory board who are not in public service shall be engaged on a contractual basis as provided for by the laws of the Russian Federation.
8. The powers of any member of Vnesheconombank's supervisory board may be terminated early as resolved by the Government of the Russian Federation. Any new member shall be appointed by the Government of the Russian Federation within two months of the termination date.

Section 11

Meetings of Vnesheconombank's supervisory board

1. Meetings of Vnesheconombank's supervisory board shall be called by the chairman of Vnesheconombank's supervisory board or any of its members authorised by the chairman of Vnesheconombank's supervisory board as may be necessary, but at least once in each quarter.

2. Vnesheconombank's supervisory board shall have a quorum of at least half the number of its members. Decisions shall be taken by a simple majority of votes of those present. If votes are equal, the person presiding at a meeting of Vnesheconombank's supervisory board shall have the casting vote.
3. A meeting of Vnesheconombank's supervisory board shall be conducted by the chairman of Vnesheconombank's supervisory board or, in his/her absence, by a member of Vnesheconombank's supervisory board authorised by the chairman of Vnesheconombank's supervisory board.
4. The minutes of a meeting of Vnesheconombank's supervisory board shall be signed by the person presiding at the meeting of Vnesheconombank's supervisory board who shall be responsible for the accuracy thereof. As requested by any outvoted members of Vnesheconombank's supervisory board, their opinions shall be included in the minutes of the meeting.
5. Extraordinary meetings of Vnesheconombank's supervisory board shall be convened by the chairman of Vnesheconombank's supervisory board or at request of Vnesheconombank's internal control function or the auditor conducting a statutory audit of Vnesheconombank's annual financial statements (as amended by Federal Law No. 454-FZ of 29 December 2017).

Article 12

Powers of Vnesheconombank's supervisory board

1. In enabling Vnesheconombank to perform its functions, the supervisory board shall be authorised to:
 - 1) determine the main areas of Vnesheconombank's activities based on the Memorandum approved by the Government

- of the Russian Federation and approve Vnesheconombank's development strategy;
- 2) determine the scope of Vnesheconombank's investment and lending activities within the powers conferred by this Federal Law and the Memorandum;
 - 3) approve the regulations for Vnesheconombank's executive governing bodies;
 - 4) approve Vnesheconombank's annual report;
 - 5) approve Vnesheconombank's financial plan of income and expenditure (budget), take decisions related to the use of Vnesheconombank's profits, including the transfer of profits to funds established by Vnesheconombank and the use of fund resources to cover Vnesheconombank's losses;
 - 6) determine the bidding procedure to select the auditor for an annual statutory audit of Vnesheconombank's annual financial statements;
 - 7) appoint and dismiss the members of Vnesheconombank's management board at the suggestion of Vnesheconombank's chairman, determine remuneration and/or compensation payable to the members of Vnesheconombank's management board and the procedure for entering into employment agreements with the members of Vnesheconombank's management board;
 - 8) determine remuneration payable to Vnesheconombank's chairman;
 - 9) take decisions to appoint and dismiss the head of Vnesheconombank internal control service;

- 10) take decisions to establish and liquidate branches, approve branch regulations;
- 11) approve the list of Vnesheconombank's entities specified in Section 3(4)(13), define their principal business areas and priorities, approve long-term activities and development plans of Vnesheconombank's entities;
- 12) take decisions on the establishment, reorganisation and liquidation of non-profit organisations;
- 13) take decisions to approve transactions involving Vnesheconombank's equity financing for financial institutions (credit institutions, insurance companies, professional securities market participants) except for the transactions conducted as part of Vnesheconombank's idle cash (liquidity) management;
- 14) take decisions to place Vnesheconombank's bonds or other 39-FZ (issue-grade) securities in external and internal financial markets as provided for by the laws of the Russian Federation and the applicable foreign legislation, take decisions to approve the bond programme;
- 15) approve the risk management policy for Vnesheconombank and its entities and determine the indicators, restrictions and limits to be determined by Vnesheconombank's supervisory board as provided for by the policy and this Federal Law;
- 16) take decisions to approve transactions or a group of associated transactions connected with the acquisition, disposal or possible disposal by Vnesheconombank of its assets with a carrying value of 10 per cent or more of Vnesheconombank's equity as at the first day of the

month immediately preceding the month of the decision to approve such transactions;

- 17) approve transactions or a group of associated transactions not provided for by Section 12(1)(16) or connected with the acquisition, disposal or possible disposal by Vnesheconombank of its assets with a carrying value exceeding the amount established by Vnesheconombank's supervisory board and transactions or a group of associated transactions after which the risk limit per borrower or group of related borrowers may exceed the amount established by Vnesheconombank's supervisory board;
- 18) approve the criteria for Vnesheconombank's projects in connection with Vnesheconombank's participation in different categories of Vnesheconombank's projects, including those provided for by Section 3(5);
- 19) take decisions to approve projects (transactions) related to Vnesheconombank's participation in the projects specified in Section 3(5), approve the purposes of Vnesheconombank's participation in such projects, restrictions on Vnesheconombank's activities under such projects and the sources of financing for such projects and approve activity plans and key performance indicators to assess Vnesheconombank's participation in such projects;
- 20) consider proposals prepared by Vnesheconombank's management board for the Government of the Russian Federation in respect of measures of government support for Vnesheconombank, including the measures required for Vnesheconombank's participation in Vnesheconombank's projects specified in Section 3(5);
- 21) take decisions to approve transactions involving any compensation-free transfer of part of Vnesheconombank's

- assets to the treasury of the Russian Federation, the treasury of any constituent entity and approve the relevant transfer rules;
- 22) approve a framework for Vnesheconombank's employee compensation system under which compensation shall be subject to the achievement of Vnesheconombank's corporate key performance indicators, approve Vnesheconombank's corporate key performance indicators for Vnesheconombank's employee incentive programme and the technique (procedure) for the calculation thereof;
 - 23) approve Vnesheconombank's employees' participation in the activities of governing and supervisory bodies of business entities as required by the laws of the Russian Federation;
 - 24) approve the procurement regulations for goods, work and services;
 - 25) give instructions and recommendations to Vnesheconombank's executive governing bodies after meetings of Vnesheconombank's supervisory board;
 - 26) hear reports of Vnesheconombank's chairman on issues related to Vnesheconombank's operations;
 - 27) form committees of Vnesheconombank's supervisory board, approve the committee regulations determining the scope, operating procedures and number of members of such committees, appoint and dismiss the members of the committees;
 - 28) take decisions on the approval of related party transactions as provided for by Section 27 of Federal Law No. 7-FZ of 12 January 1996 "On Non-profit Organisations";

- 29) exercise any other powers provided for by this Federal Law, any other federal laws, regulations of the Government of the Russian Federation, the Memorandum and the regulations for Vnesheconombank's supervisory board. (as amended by Federal Law No. 454-FZ of 29 December 2017)
2. Vnesheconombank's supervisory board may not assign its powers provided for by this Federal Law to Vnesheconombank's management board or chairman.

Section 13

Vnesheconombank's management board

1. Vnesheconombank's management board shall be Vnesheconombank's collegial executive body. Vnesheconombank's management board shall be composed of Vnesheconombank's chairman by virtue of his/her position and eight members of Vnesheconombank's management board. Vnesheconombank's chairman shall be in charge of Vnesheconombank's management board.
2. The members of Vnesheconombank's management board shall be appointed and dismissed by Vnesheconombank's supervisory board at the suggestion of Vnesheconombank's chairman.
3. The members of Vnesheconombank's management board shall be Vnesheconombank's permanent employees.
4. Any members of Vnesheconombank's management board may be dismissed early by Vnesheconombank's supervisory board as proposed by Vnesheconombank's chairman. In the event of any early dismissal, new members of Vnesheconombank's

management board shall be appointed in accordance with the procedure specified in this Federal Law.

5. Vnesheconombank's management board shall act in accordance with the rules approved by Vnesheconombank's supervisory board and establishing the schedule of meetings of Vnesheconombank's management board, the procedure for calling and holding such meetings and the decision-making procedure.
6. The minutes of a meeting shall be taken at each meeting of Vnesheconombank's management board and, upon request, shall be made available to members of Vnesheconombank's supervisory board, members of Vnesheconombank's internal control service and the auditors.
7. Meetings of Vnesheconombank's management board shall be organised by Vnesheconombank's chairman or by the person authorised by Vnesheconombank's chairman. The minutes of a meeting of Vnesheconombank's management board shall be signed by the person presiding at the meeting.

Section 14

Powers of Vnesheconombank's management board (as amended by Federal Law No. 454-FZ of 29 December 2017)

In enabling Vnesheconombank to perform its functions, the management board shall be authorised to:

- 1) prepare and submit for consideration of Vnesheconombank's supervisory board any proposals to the Government of the Russian Federation in respect of Vnesheconombank's key business areas and the scope

of Vnesheconombank's investment and lending activity and the government aid measures to Vnesheconombank, including the measures required for Vnesheconombank's participation in Vnesheconombank's projects specified in Section 3(5);

- 2) prepare and submit for consideration by Vnesheconombank's supervisory board proposals in relation to any issues within the competence of Vnesheconombank's supervisory board, except for proposals in respect of the appointment and dismissal of members of Vnesheconombank's management board;
- 3) prepare and submit for approval by Vnesheconombank's supervisory board Vnesheconombank's financial plan of income and expenditure (budget);
- 4) consider Vnesheconombank's annual report and submit it for approval by Vnesheconombank's supervisory board;
- 5) submit to Vnesheconombank's supervisory board any proposals for the use of Vnesheconombank's profits;
- 6) approve the system of targets, restrictions and limits used for risk assessment and management in investment, financial and any other activities of Vnesheconombank in accordance with the risk management policy of Vnesheconombank and its entities and establish the targets, restrictions and limits provided for by such policy unless their establishment is within the competence of Vnesheconombank's supervisory board;
- 7) take decisions to approve transactions or a group of associated transactions connected with the acquisition, disposal or possible disposal by Vnesheconombank of its assets with a carrying value exceeding the amount

- provided for by the regulations for Vnesheconombank's executive governing bodies;
- 8) approve transactions or a group of associated transactions not provided for by Section 14(7) or connected with the acquisition, disposal or possible disposal by Vnesheconombank of its assets with a carrying value exceeding the amount established by Vnesheconombank's supervisory board and transactions after which the risk limit per borrower or group of related borrowers may exceed the risk limit established by Vnesheconombank's supervisory board;
 - 9) take decisions to open and close representative offices, approve the regulations for representative offices;
 - 10) approve the corporate management policy applicable to Vnesheconombank's entities;
 - 11) take decisions in respect of the establishment of corporate entities and any shareholdings acquired or disposed of by Vnesheconombank, approve transactions connected with an increase (decrease) in Vnesheconombank's stake in their authorised capital unless such issues shall be referred to Vnesheconombank's supervisory board in accordance with this Federal Law, other federal laws, the Memorandum or the regulations for Vnesheconombank's supervisory board, except for transactions conducted as part of Vnesheconombank's idle cash (liquidity) management;
 - 12) take decisions in respect of the provision of financial and guarantee support for Vnesheconombank's entities not related to an increase in Vnesheconombank's stake in their authorised capital unless such issues shall be referred to

Vnesheconombank's supervisory board in accordance with this Federal Law, other federal laws, the Memorandum or the regulations for Vnesheconombank's supervisory board;

- 13) determine Vnesheconombank's employee compensation system, terms and conditions of employment and dismissal, social benefits under the laws of the Russian Federation and provide a framework for Vnesheconombank's employee compensation system to be approved by Vnesheconombank's supervisory board;
- 14) approve Vnesheconombank's organisational structure;
- 15) exercise any other powers provided for by this Federal Law, the Memorandum, the regulations for Vnesheconombank's executive governing bodies and the relevant decisions of Vnesheconombank's supervisory board.

Section 15

Vnesheconombank's chairman

1. Vnesheconombank's chairman shall be Vnesheconombank's sole executive body and shall be in charge of Vnesheconombank's day-to-day operations.
2. Vnesheconombank's chairman shall be appointed and dismissed by the President of the Russian Federation. Vnesheconombank's chairman shall be appointed at the suggestion of the Prime Minister of the Russian Federation for a term of up to 5 years. Any new nomination to the post of Vnesheconombank's chairman shall be proposed to the President of the Russian Federation one month before the term of office of Vnesheconombank's incumbent chairman expires.

3. If the President of the Russian Federation rejects any nomination for Vnesheconombank's chairman, the chairman of Vnesheconombank's supervisory board shall propose to the President of the Russian Federation a new nomination to the post of Vnesheconombank's chairman within fifteen days.
4. Vnesheconombank's chairman shall be responsible for its acts (omission to act) as provided for by the laws of the Government of the Russian Federation and the regulations for Vnesheconombank's executive governing bodies. (as amended by Federal Law No. 454-FZ of 29 December 2017)
5. The powers of Vnesheconombank's chairman may be terminated early by the President of the Russian Federation. Within one month of the early termination date, the chairman of Vnesheconombank's supervisory board shall propose to the President of the Russian Federation a nomination to the post of Vnesheconombank's chairman as provided for by this Section 15.
6. Vnesheconombank's chairman shall have deputy chairmen who shall be Vnesheconombank's permanent employees and may be members of Vnesheconombank's management board. (introduced by Federal Law No. 454-FZ of 29 December 2017)

Section 16

Powers of Vnesheconombank's chairman (as amended by Federal Law No. 454-FZ of 29 December 2017)

Vnesheconombank's Chairman shall:

- 1) act for and on behalf of Vnesheconombank without a power of attorney in relationships with government

- authorities, local government authorities, foreign and international organisations and other organisations;
- 2) be in charge of Vnesheconombank's management board and organise the implementation of decisions of Vnesheconombank's supervisory board and management board;
 - 3) issue orders and instructions related to Vnesheconombank's operations;
 - 4) approve Vnesheconombank's staffing plan, determine the official rights and duties of Vnesheconombank's employees;
 - 5) appoint and dismiss the deputy chairmen;
 - 6) distribute duties among the deputy chairmen and other employees of Vnesheconombank;
 - 7) submit to Vnesheconombank's supervisory board proposals to appoint or dismiss the members of Vnesheconombank's management board;
 - 8) employ and dismiss Vnesheconombank's employees, sign, amend and terminate employment agreements in accordance with employment legislation and any other employment regulations and appoint other officers of Vnesheconombank to exercise the employer's rights and obligations;
 - 9) issue powers of attorney;
 - 10) approve decisions in respect of the issuance (additional issuance) of 39-FZ (issue-grade) securities, except for decisions to approve the bond programme;

- 11) take any other decisions falling within the purview of Vnesheconombank, except for any issues within the competence of Vnesheconombank's supervisory board and management board.

Section 16.1

Vnesheconombank's supervisory board committees (introduced by Federal Law No. 454-FZ of 29 December 2017)

1. To efficiently exercise its powers, Vnesheconombank's supervisory board shall be entitled to form committees to preliminarily address any issues falling within the competence of Vnesheconombank's supervisory board in accordance with this Federal Law, other federal laws, regulatory legal acts of the Government of the Russian Federation, the Memorandum and the regulations for Vnesheconombank's supervisory board and to deal with any other important issues pertaining to Vnesheconombank's operations and specified in the relevant committee regulations approved by Vnesheconombank's supervisory board. A committee shall be a collegial deliberative body but not a governing body of Vnesheconombank. A committee shall provide Vnesheconombank's supervisory board with opinions and recommendations as to the issues under review, and take any other decisions within its competence. The decisions taken by a committee shall not be the decisions taken by Vnesheconombank's supervisory board. The competence of, and operating and decision-making procedures for, a committee shall be set forth in the committee regulations approved by Vnesheconombank's supervisory board. Vnesheconombank's supervisory board shall determine the number of members of committees, nominate committee chairmen and members, and terminate their powers.

2. Vnesheconombank's supervisory board shall form the following standing committees:
 - 1) Strategy Committee, intended to preliminarily address the issues related to clarifying the strategic objectives and priority investment areas of Vnesheconombank, supervising the implementation of Vnesheconombank's development strategy, increasing Vnesheconombank's operating efficiency in the long term and to establishing criteria (indicators, limits) for Vnesheconombank priority investment areas within its competence as specified in the Memorandum and the development strategy of Vnesheconombank;
 - 2) Audit Committee, intended to preliminarily address the issues related to supervising financial and operating activities of Vnesheconombank, including the completeness and accuracy of Vnesheconombank's accounting (financial) statements, the reliability and efficiency of the risk management and internal control system, the independence and impartiality of the internal audit function, the assessment of whether Vnesheconombank's auditors are independent and have no conflict of interest and the quality assessment of Vnesheconombank's audited accounting (financial) statements;
 - 3) Nomination and Remuneration Committee, intended to preliminarily address the issues related to appointing and dismissing the members of Vnesheconombank's management board and the head of Vnesheconombank's internal control service (early terminating their powers), determining their remuneration and/or compensation for their expenses, providing a framework for Vnesheconombank's employee compensation system, approving Vnesheconombank's corporate key performance indicators for Vnesheconombank's employee incentive programme and

the technique (procedure) for the calculation thereof and assessing the attainment of Vnesheconombank's corporate key performance indicators in the reporting period;

- 4) other committees intended to preliminarily address the issues related to Vnesheconombank's performance in specific investment areas.

Section 16.2

Collegial working bodies formed by vnesheconombank's management board and chairman (introduced by Federal Law No. 454-FZ of 29 December 2017)

1. Vnesheconombank's management board and chairman shall be entitled to form committees, commissions, and other collegial working bodies ("Vnesheconombank's collegial working bodies") intended to preliminarily address the issues falling within the competence of the executive governing bodies of Vnesheconombank in accordance with this Federal Law, the Memorandum, the regulations for Vnesheconombank's executive bodies and decisions of Vnesheconombank's supervisory board and to gather material and take decisions in respect of such issues.
2. The collegial working body of Vnesheconombank shall not be a governing body of Vnesheconombank. The collegial working body of Vnesheconombank shall provide its executive bodies with opinions and recommendations as to the issues under review, and take any other decisions within its competence. The collegial working body of Vnesheconombank may not decide on the issues that, in accordance with this Federal Law, other federal laws and the regulations for Vnesheconombank's governing bodies, fall within the competence of Vnesheconombank's supervisory board and management board. The regula-

tions for Vnesheconombank's collegial working body approved by Vnesheconombank's executive governing body may specify the cases of, and procedure for, the relevant collegial working body of Vnesheconombank taking decisions pertaining to the specific powers exercised by Vnesheconombank's Chairman, including decisions on whether Vnesheconombank may or may not enter into any deals (transactions), except for the powers of Vnesheconombank's Chairman provided for by Sections 16(1)–(10).

3. The competence of, and the operating and decision-making procedures for, Vnesheconombank's collegial working body, and the procedure for nominating its members shall be specified in the regulations for Vnesheconombank's collegial working body as approved by Vnesheconombank's executive governing body.
4. Vnesheconombank's executive bodies shall be entitled to form its following standing collegial working bodies to make a preliminary review, gather material and/or take decisions in respect of the issues related to:
 - 1) financing Vnesheconombank's projects, managing Vnesheconombank's credit risk, taking decisions on Vnesheconombank in its capacity as an obligee under Vnesheconombank's projects that, when implemented, will affect the credit risk level (Vnesheconombank's collegial working body for credit risk management);
 - 2) administrating overdue debt related to Vnesheconombank's projects, including deciding on continued financing for Vnesheconombank's projects, financing any measures to avoid bankruptcy and/or restore the financial solvency of Vnesheconombank's debtors involved in Vnesheconombank's projects and defining Vnesheconombank's

- position as a bankruptcy creditor in insolvency (bankruptcy) proceedings against Vnesheconombank's debtors, managing Vnesheconombank's assets acquired as a result of overdue debt administration; and improving the use of Vnesheconombank's assets (Vnesheconombank's collegial working body for overdue debt administration);
- 3) ensuring the strategic and organisational development of Vnesheconombank, improving corporate governance efficiency at Vnesheconombank and its subsidiaries and formulating the principal policies and operational procedures of Vnesheconombank.
5. Vnesheconombank's executive bodies shall be entitled to form its following standing collegial working bodies to make a preliminary review, gather material and/or take decisions in respect of the issues related, inter alia, to:
- 1) developing Vnesheconombank's resource base and managing Vnesheconombank's idle cash (liquidity);
 - 2) managing Vnesheconombank's and its entities' risks;
 - 3) identifying the key business areas and priorities of Vnesheconombank's subsidiaries, formulating policies on risk and idle cash (liquidity) management at Vnesheconombank's subsidiaries and providing them with financial and guarantee support;
 - 4) Vnesheconombank acting as a trust manager for pension savings, reserve payouts and pension savings of the insured parties entitled to term pension payments;
 - 5) specific areas of Vnesheconombank's activities.

Section 16.3

Approval of specific transactions by vnesheconombank’s governing bodies (introduced by Federal Law No. 454-FZ of 29 December 2017)

1. Any transaction that shall require approval from Vnesheconombank’s governing body under this Federal Law, the Memorandum and the regulations for Vnesheconombank’s governing body shall be subject to prior approval by the relevant governing body of Vnesheconombank. Any decision to approve such transaction shall specify the party(-ies) to such transaction, the price and subject matter of such transaction and other material terms and conditions of such transaction or the procedure for determining them. Any decision to approve such transaction may specify no party thereto if the transaction is entered into on a competitive bidding basis and in other cases where a party to such transaction cannot be identified at the time when such transaction is approved. Any decision to approve such transaction may also specify the higher and lower limits for such transaction (the higher limit on the acquisition cost or the lower limit on the selling cost) or the procedure for setting such limits and contain approval for similar transactions, alternative terms and conditions for the transaction subject to approval and approval for the transaction in the event of simultaneous transactions. Any decision to approve such transaction may specify the effective term of such approval. If no effective term is specified, the decision to approve such transaction shall be valid for one year from the date thereof unless otherwise required by the essence and conditions of the transaction approved or by the circumstances of such approval.
2. Any related party transaction as defined by Federal Law No. 7-FZ of 12 January 1996 “On Non-Profit Organisations”

shall be subject to approval by Vnesheconombank's supervisory board.

3. Any transaction that is subject to approval by Vnesheconombank's governing body under this Federal Law, the Memorandum and the regulations for Vnesheconombank's governing body and that is entered into in breach of this Federal Law may be held invalid through legal action brought by Vnesheconombank, the Government of the Russian Federation or by an authorised federal executive authority.
4. Any transaction that is subject to approval by Vnesheconombank's governing body under this Federal Law, the Memorandum and the regulations for Vnesheconombank's governing body and that requires approval from any other governing body of Vnesheconombank under Section 12(1)(17) or Section 14(8) shall be subject to approval or authorisation by the relevant governing bodies of Vnesheconombank.

Section 17.

Establishment procedure for Vnesheconombank

1. Vnesheconombank shall be established through reorganisation in the form of transformation of the Bank for Foreign Economic Affairs of the USSR pursuant to this Federal Law.
2. The Government of the Russian Federation shall approve the transfer instrument specified in Section 20(2) within fifteen days after its receipt from the Board of Directors of the Bank for Foreign Economic Affairs of the USSR and shall approve the procedure, deadline and method for the asset contribution of the Russian Federation to the authorised capital of Vnesheconombank, and the composition of such assets.
3. Vnesheconombank shall, within fifteen days after the Government of the Russian Federation approves the transfer instrument specified in Section 20(2), be subject to state registration in accordance with the procedure provided for by Federal Law No. 129-FZ of 8 August 2001 “On the State Registration of Corporate Entities and Individual Entrepreneurs”.
4. The Prime Minister of the Russian Federation shall, within fifteen days after the state registration of Vnesheconombank, propose to the President of the Russian Federation a nominee for the post of Chairman of Vnesheconombank.

5. The supervisory board of Vnesheconombank shall be appointed in compliance with the procedure established hereby, within fifteen days upon state registration of Vnesheconombank.
6. The management board of Vnesheconombank shall be appointed in accordance with the procedure specified in this Federal Law within fifteen days after the appointment of the Chairman of Vnesheconombank.

Section 18.

Authorised capital of Vnesheconombank

1. The authorised capital of Vnesheconombank shall be established by the Government of the Russian Federation at RUB 70 billion or more and shall comprise:
 - 1) Assets owned by the Bank for Foreign Economic Affairs of the USSR and contributed to the authorised capital of Vnesheconombank;
 - 2) Federally owned shares in the Open Joint-Stock Company Russian Bank for Development, and State Specialised Russian Export-Import Bank (Closed Joint-Stock Company);
 - 3) Any other assets as resolved by the Government of the Russian Federation to form the authorised capital of Vnesheconombank in the amount specified in this Section.
2. The market value of shares contributed to the authorised capital of Vnesheconombank as the asset contribution of the Russian Federation shall be appraised under Federal Law No. 208-FZ of 26 December 1995 “On Joint-Stock Companies” and appraisal legislation.

3. The authorised capital of Vnesheconombank may be increased as resolved by the Government of the Russian Federation using additional asset contributions of the Russian Federation, including subsidies in the form of asset contributions of the Russian Federation, or Vnesheconombank's profits (as amended by Federal Law No. 454-FZ of 29 December 2017)
4. Asset contributions may be made in the form of businesses as groups of assets, assets owned by federal government establishments and any other state-owned assets. Such assets shall be appraised under appraisal legislation.
5. The authorised capital of Vnesheconombank at the time of its incorporation shall be formed within six months after the state registration of Vnesheconombank.

Section 19.

Reorganisation and liquidation of Vnesheconombank

1. The reorganisation or liquidation of Vnesheconombank shall be subject to a federal law specifying the procedure and deadline for such reorganisation or liquidation and the procedure for using Vnesheconombank's assets.
2. No provisions of insolvency (bankruptcy) laws shall be applicable to the liquidation procedure for Vnesheconombank.
3. In the event of Vnesheconombank's liquidation, any claims associated with deposits taken by Vnesheconombank under Section 3(9) and with subordinated credit facilities (deposits, loans, bond issues) shall be satisfied after claims of any other creditors are satisfied. (as amended by Federal Law No. 454-FZ of 29 December 2017).

Section 20.

Reorganisation procedure for the Bank for Foreign Economic Affairs of the USSR

1. The Board of Directors of the Bank for Foreign Economic Affairs of the USSR shall, within fifteen days after this Federal Law takes effect, cause the notice of the reorganisation of the Bank for Foreign Economic Affairs of the USSR to be published in the Rossiyskaya Gazeta, the State Registration Bulletin and the Bank of Russia Bulletin, which publication shall be deemed to be an official notification to the creditors.
2. The Board of Directors of the Bank for Foreign Economic Affairs of the USSR shall, within two months after this Federal Law takes effect, take an inventory of the assets and liabilities, make the transfer instrument and submit the transfer instrument for approval by the Government of the Russian Federation.
3. The transfer instrument is a document evidencing legal succession due to reorganisation and containing the provisions of legal succession in relation to all liabilities and claims of the Bank for Foreign Economic Affairs of the USSR in respect of all of its creditors and debtors, including any liabilities contested by the parties. In addition to the information specified above, the transfer instrument shall contain the procedure for determining legal succession in connection with any changes

in assets and liabilities that may arise after the date of the transfer instrument due to activities of the Bank for Foreign Economic Affairs of the USSR prior to the completion of its reorganisation.

4. The transfer instrument shall be based on the information contained in the inventory report on assets and liabilities of the Bank for Foreign Economic Affairs of the USSR and the latest available financial statements audited by independent auditors.
5. The transfer instrument shall specify all types of assets owned by the Bank for Foreign Economic Affairs of the USSR, including buildings, structures, plots of land, any other fixed assets, equipment, fixtures, raw materials, goods, receivables, debts, including the personal injury liability of the Bank for Foreign Economic Affairs of the USSR to any individuals, the rights to the brand identity of the Bank for Foreign Economic Affairs of the USSR (legal name, trademarks and service marks) and any other exclusive rights.
6. Upon the date of the state registration of Vnesheconombank, any rights and obligations of the Bank for Foreign Economic Affairs of the USSR, including any rights and obligations under the agreements of the Bank for Foreign Economic Affairs of the USSR, shall transfer to Vnesheconombank.
7. From the date when Vnesheconombank receives state registration to the date when the management bodies of Vnesheconombank are formed, the members of the Board of Directors of the Bank for Foreign Economic Affairs of the USSR shall act as the members of the management board of Vnesheconombank, and the Chairman of the Bank for Foreign Economic Affairs of the USSR shall act as the Chairman of Vnesheconombank.

8. The first balance sheet of Vnesheconombank shall be prepared according to the approved transfer instrument and information on the operations completed by the Bank for Foreign Economic Affairs of the USSR prior to the state registration of Vnesheconombank.
9. The reorganisation of the Bank for Foreign Economic Affairs of the USSR shall not be subject to any special provisions contained in banking legislation or regulations of the Central Bank of the Russian Federation.

Section 21.

Specific functions performed by Vnesheconombank

1. Under the budget legislation of the Russian Federation, Vnesheconombank may perform the functions of an agent for the Government of the Russian Federation, including acting for and on behalf of the Russian Federation in court in respect of:
 - 1) Issuance of government guarantees of the Russian Federation, and support for, administration of, and the performance of obligations under government guarantees issued by the Russian Federation;
 - 2) Repayment (settlement) of debts related to monetary obligations to the Russian Federation, including those arising out of the issuance of and the performance of obligations under government guarantees of the Russian Federation;
 - 3) Analytical accounting for monetary obligations to the Russian Federation;

- 4) Analytical accounting for government guarantees issued by the Russian Federation, obligations of principals and other entities in connection with the issuance of and the performance of obligations under government guarantees of the Russian Federation, and evaluation of the financial condition of such entities;
 - 5) Accounting for, servicing of and repayment (utilisation) of the external debt of the former USSR and the Russian Federation (including the FX-denominated internal debt of the former USSR) and public loans provided by the former USSR and the Russian Federation for foreign borrowers, and monitoring of projects implemented in the Russian Federation in partnership with international financial institutions;
 - 6) Safekeeping of securities certificates and/or certificates of accounting for the rights or transfer of the rights to securities owned by the Russian Federation. (as amended by Federal Law No. 454-FZ of 29 December 2017)
- 1.1. Under the budget legislation of the Russian Federation, Vnesheconombank shall perform such other functions of an agent for the Government of the Russian Federation as may be provided for by federal budget legislation for the relevant year and planning period, any related documents approved by the Government of the Russian Federation, and any related contracts (agreements). (introduced by Federal Law No. 454-FZ of 29 December 2017)
 2. The functions of the government trust manager for pension savings and the government trust manager for payout reserve as pertaining to the trust management of payout reserve and pension savings of the insured citizens entitled to term pension payments shall be performed by Vnesheconombank

until the date determined by the Government of the Russian Federation. To perform the above-mentioned functions, Vnesheconombank shall be entitled to act as a broker in the securities market in accordance with the procedure specified in the laws of the Russian Federation. (as amended by Federal Law No. 85-FZ of 25 June 2012)

3. Vnesheconombank shall only perform the functions related to servicing bank deposits and maintaining individuals' accounts if they are taken by and opened with the Bank for Foreign Economic Affairs of the USSR prior to the date of the reorganisation of the Bank for Foreign Economic Affairs of the USSR under Section 17 hereof.
4. Vnesheconombank may not take deposits from individuals or credit any additional amounts to accounts of individuals under bank account (deposit) agreements, except for interest accrued under bank account (deposit) agreements. Any additional amounts, except for interest accrued under bank account (deposit) agreements, shall be refunded to the individuals giving instructions to credit such amounts to their accounts or making such deposits.
5. No bank account (deposit) agreement entered into with individuals prior to the date of the reorganisation of the Bank for Foreign Economic Affairs of the USSR may be terminated unless otherwise specified therein, except when any bank account (deposit) holder requests that such agreement should be terminated.
6. The Government of the Russian Federation shall decide on measures to prevent and remedy a situation where the performance by Vnesheconombank of its functions as an agent for the Government of the Russian Federation under Sections 21(1) and 21(1.1) simultaneously with any other functions

specified in this Federal Law affects or may affect the proper performance by Vnesheconombank of its functions as an agent for the Government of the Russian Federation under Sections 21(1) and 21(1.1) (introduced by Federal Law No. 454-FZ of 29 December 2017).

President of the Russian Federation
Vladimir Putin

The Kremlin, Moscow

