

Final Terms

Final Terms dated 28 June 2012

GAZPROMBANK (OPEN JOINT-STOCK COMPANY)

Issue of RUB13,500,000,000 8.75 per cent. Loan Participation Notes due 2019
by GPB EUROBOND FINANCE PLC
for the purpose of financing a Loan to GAZPROMBANK (OPEN JOINT-STOCK COMPANY)
("Gazprombank")
under a U.S.\$10,000,000,000 Programme for the Issuance of Loan Participation Notes

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 23 April 2012 and the Base Prospectus supplements dated 24 April 2012, 21 June 2012 and 27 June 2012 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer and Gazprombank and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus and the supplemental Base Prospectus. The Base Prospectus and the supplemental Base Prospectuses are available for viewing at the offices of the Principal Paying Agent, on the website of the Central Bank of Ireland (www.centralbank.ie) and copies may be obtained from GPB Eurobond Finance PLC at 5 Harbourmaster Place, IFSC, Dublin 1, Ireland.

1	(i) Issuer:	GPB Eurobond Finance PLC
2	Series Number:	7
3	Specified Currency:	Russian Rubles (RUB)
4	Aggregate Nominal Amount of Notes admitted to Trading:	RUB13,500,000,000
5	(ii) Issue Price:	100 per cent. of the aggregate principal amount of the Notes
6	(i) Specified Denominations:	RUB5,000,000 and integral multiples of RUB100,000 in excess thereof
	(ii) Calculation Amount:	RUB100,000
7	(i) Trade Date:	28 June 2012
	(ii) Issue Date:	29 June 2012
	(iii) Interest Commencement Date:	29 June 2012
8	Maturity Date:	29 June 2019

9	Interest Basis:	8.75 per cent. Fixed Rate
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest or Redemption/Payment Basis:	Not Applicable
12	(i) Status of the Notes:	Senior
	(ii) Status of the Loan:	Subordinated
	(iii) Date of Board approval for issuance of Notes obtained	The issue of the Notes was approved by the Board of Directors of the Issuer on 26 June 2012
13	Method of distribution:	Non-Syndicated
14	Financial Centres (Condition 7):	Dublin, Moscow, New York and London

PROVISIONS RELATING TO INTEREST PAYABLE UNDER THE LOAN

15	Fixed Rate Note Provisions:	Applicable
	(i) Rate of Interest:	8.75 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	29 June of each year
	(iii) First Interest Payment Date:	29 June 2013
	(iv) Fixed Coupon Amount:	RUB437,500 per RUB5,000,000 and RUB8,750 per RUB100,000 on each Interest Payment Date
	(v) Broken Amount:	Not Applicable
	(vi) Day Count Fraction (Condition 5):	30/360
	(vii) Determination Date(s) (Condition 5):	Not Applicable
	(viii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16	Floating Rate Note Provisions:	Not Applicable

PROVISIONS RELATING TO REDEMPTION

17	Final Redemption Amount of each Note:	Redemption at par
18	Early Redemption Amount(s) of each Note payable if the Loan should become repayable under the Loan Agreement prior to the Maturity Date:	Redemption at par

GENERAL PROVISIONS APPLICABLE TO THE NOTES

19	Form of the Notes:	Registered Notes
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20 Other final terms: Not Applicable

DISTRIBUTION

21 (i) If syndicated, names of Managers: Not Applicable

(ii) Stabilising (if any): Not Applicable

22 If non-syndicated, name of Dealer: Citigroup Global Markets Limited

23 Additional selling restrictions: Not Applicable

GENERAL

24 Additional steps that may only be taken following approval by an Extraordinary Resolution in accordance with Condition 10: Not Applicable

25 The aggregate principal amount of Notes issued has been translated into U.S. dollars (for Notes not denominated in U.S. dollars): Approximately U.S.\$411,104,073 calculated at the exchange rate established by the Central Bank of Russia for the date hereof

LISTING AND ADMISSION TO TRADING APPLICATION

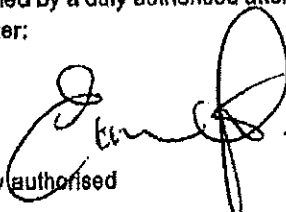
These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the U.S.\$10,000,000,000 Programme for the Issuance of Loan Participation Notes to be issued by, but with limited recourse to, GPB Eurobond Finance PLC for the purpose of financing loans to Gazprombank.

RESPONSIBILITY

The Issuer and Gazprombank accept responsibility for the information contained in these Final Terms.

Signed by a duly authorised attorney of the Issuer:

By:
Duly authorised



Signed on behalf of Gazprombank:

By:
Duly authorised

By:
Duly authorised

20 Other final terms: Not Applicable

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Signed by a duly authorised attorney of the Issuer:

By:
Duly authorised

Signed on behalf of Gazprombank:


By:
Duly authorised

By:
Duly authorised

PART B – OTHER INFORMATION

1 LISTING

- | | | |
|-------|---|---|
| (i) | Listing: | Irish Stock Exchange |
| (ii) | Admission to trading: | Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market with effect from 2 July 2012. |
| (iii) | Estimate of total expenses related to admission to trading: | €500 |

2 RATINGS

- | | |
|----------|---|
| Ratings: | The Programme is rated:
Moody's Investors Service Ltd.: Baa3
The Notes have not been rated. |
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3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4 REASONS FOR THE OFFER, ESTIMATED PROCEEDS AND TOTAL EXPENSES

- | | | |
|-------|---------------------------|--|
| (i) | Reasons for the offer | See "Use of Proceeds" in the Base Prospectus |
| (ii) | Estimated proceeds: | RUB13,500,000,000 |
| (iii) | Estimated total expenses: | U.S.\$343,170.25 |

5 Fixed Rate Notes only – YIELD

- | | |
|----------------------|--|
| Indication of yield: | 8.75 per cent. per annum
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield |
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6 OPERATIONAL INFORMATION

- | | |
|-------|--------------|
| ISIN: | XS0800582255 |
|-------|--------------|

Common number: 080058225

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, *société anonyme* and the relevant identification number(s): Not Applicable

Delivery: Delivery free of payment

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

SUBORDINATED LOAN AGREEMENT

This Subordinated Loan Agreement is made on 28 June 2012 between:

- (1) **GAZPROMBANK (OPEN JOINT-STOCK COMPANY)**, an open joint-stock company established under the laws of the Russian Federation whose registered office is 16 Block 1, Nametkina St., Moscow 117420 ("**Gazprombank**"); and
- (2) **GPB EUROBOND FINANCE PLC**, a public limited liability company established under the laws of Ireland whose registered office is 5 Harbourmaster Place, IFSC, Dublin 1, Ireland (the "**Lender**").

Whereas:

- (A) The Lender has at the request of Gazprombank agreed to make available to Gazprombank an unsecured subordinated loan facility in the amount of RUB13,500,000,000 (the "**Loan**") under the U.S.\$10,000,000 programme for the issuance of loan participation notes to be issued by, but with limited recourse to, the Lender for the purpose of financing loans to Gazprombank (the "**Programme**") and on the terms and subject to the conditions of this Agreement.
- (B) The Lender and Gazprombank have agreed that, on the occurrence of a Bankruptcy Event (as defined below), the claims of the Lender in respect of the Loan (as defined below) shall be subordinated to the claims of Senior Creditors (as defined below) of Gazprombank in accordance with the Insolvency Law (as defined below).
- (C) Gazprombank intends the Loan to be qualified as Own Funds (as defined below) within the meaning of paragraph one of Section 3.11.1 of Regulation No. 215-P (as defined below).
- (D) The Lender and Gazprombank have agreed that the terms and conditions set forth in this Agreement, including the Rate of Interest (as defined below) payable in respect of the Loan, do not differ materially from the terms and conditions of similar agreements concluded on market terms as of the date of this Agreement.

Now it is hereby agreed as follows:

1 Definitions and Interpretation

1.1 Definitions

In this Agreement (including the recitals), the following terms shall have the meanings indicated:

"Acceleration Event" has the meaning assigned to such term in sub-Clause 11.3 hereof.

"Account" means the account in the name of the Lender (account number 11646079), with the Principal Paying Agent (Correspondent Bank: Citibank, N.A., Moscow (SWIFT: CITIRUMX); Beneficiary Bank: Citibank, N.A., London Branch (SWIFT: CITIGB2L); Beneficiary Bank Account Number: 30111 81070 040000 3069; Citi Moscow BIK: 044525202; For further credit to: 11646079; IBAN: GB46CIT118500811646079; Account Name: GPB Eurobond Finance Series 7).

"Agency" means any agency, authority, central bank, department, government, legislature, minister, official or public statutory person (whether autonomous or not) of, or of the government of, any state.

"Agency Agreement" means the amended and restated paying agency agreement relating to the Programme dated 23 September 2011, as it may be further amended or supplemented from time to time between, the Lender, Gazprombank, the Trustee and the agents named therein.

"Agreement" means this Agreement as originally executed or as it may be amended from time to time.

"Approval Date" means the date falling 90 days after the date of this Agreement.

"Bankruptcy Event" means the entry into force of a final decision of a competent Russian court finding Gazprombank bankrupt.

"Base Prospectus" means the base prospectus dated 23 April 2012, as may be amended, supplemented or replaced, relating to the Programme.

"Bilateral Contract" means any Currency Protection Agreement or Interest Rate Protection Agreement.

"Business Day" means a day on which, if on that day a payment is to be made hereunder, commercial banks generally are open for business in New York City, Dublin, Moscow and in the city where the specified office of the Principal Paying Agent is located.

"Capital Stock" means, with respect to any person, any and all shares (including preference shares), interests, participations, rights to purchase, warrants, options, or other equivalents (however designated) of capital stock of a corporation and any and all equivalent ownership interests in a person other than a corporation; in each case whether now outstanding or hereafter used.

"CBR" means the Central Bank of the Russian Federation – Bank of Russia or such other governmental or other authority as shall from time to time carry out functions in relation to the supervision of banks in the Russian Federation as are, on the date hereof, carried out by the CBR.

"Civil Code of the Russian Federation" means Part 1 of the Civil Code of the Russian Federation which came into effect on 1 January 1995, Part 2 of the Civil Code of the Russian Federation which came into effect on 1 March 1996, Part 3 of the Civil Code of the Russian Federation which came into effect on 1 March 2002 and Part 4 of the Civil Code of the Russian Federation which came into effect on 1 January 2008;

"Closing Date" means 29 June 2012.

"Currency Protection Agreement" means any foreign exchange contract, currency swap agreement, currency option or similar agreement or arrangement designed to protect against fluctuations in currency exchange rates, whether or not arising in the ordinary course of business or in connection with any Indebtedness.

"Dealer Agreement" means the dealer agreement relating to the Programme dated 23 September 2011 between the Lender, Gazprombank, the Arranger, and the other dealers appointed pursuant to it, as it may be further amended or supplemented from time to time.

"Final Conclusion" means the final conclusion (*zaklucheniye*) of the CBR confirming the final unconditional approval by the CBR of this Agreement and the Loan as a subordinated loan eligible for inclusion into own funds of Gazprombank within the meaning of paragraph one of Section 3.11.1 of Regulation No. 215-P ("**Own Funds**").

"Gazprombank Account" means the account in the name of the Borrower (Correspondent Bank - OPERU Moscow FTU Bank of Russia, Correspondent Account - 30101810200000000823, BIC - 044525823, INN - 7744001497, KPP – 997950001, Beneficiary Bank – Gazprombank, SWIFT – GAZPRUMM, VO Code – VO60070);

"Group" means Gazprombank and its Subsidiaries taken as a whole.

"Indebtedness" means any indebtedness of any person for or in respect of:

- (i) moneys borrowed or raised;
- (ii) amounts raised by acceptance under any acceptance credit facility;
- (iii) amounts raised under any note purchase facility or the issue of bonds, notes, debentures, loan stock or similar instruments;
- (iv) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
- (v) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 30 days; or
- (vi) amounts raised under any other transaction (including, without limitation, under any Repurchase Agreement, any forward sale and any purchase agreement) having the commercial effect of a borrowing,

but, for the avoidance of doubt, does not include any Bilateral Contract.

"IFRS" means the International Financial Reporting Standards (formerly International Accounting Standards) issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee (as amended, supplemented or re-issued from time to time).

"Interest Payment Date" means 29 June of each year, commencing on 29 June 2013.

"Interest Rate Protection Agreement" means any interest rate swap agreement, interest rate option agreement, interest rate cap agreement, interest rate collar agreement, interest rate floor agreement or other similar agreement or arrangement designed to protect against fluctuations in interest rates, whether or not arising in the ordinary course of business or in connection with any Indebtedness.

"Lead Manager" means Citigroup Global Markets Limited.

"Material Adverse Effect" means a material adverse effect on (a) the financial condition or operations of Gazprombank or its Material Subsidiaries or (b) Gazprombank's ability to perform its obligations under this Agreement or (c) the validity, legality or enforceability of this Agreement or the rights or remedies of the Lender under this Agreement.

"Material Subsidiary" at any time means a Subsidiary of Gazprombank:

- (i) where Gazprombank's and its other Subsidiaries' investments in and advances to such Subsidiary exceed 10 per cent. of the consolidated total assets of Gazprombank all as calculated by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited IFRS consolidated accounts of Gazprombank; or

- (ii) whose profit before tax attributable to Gazprombank (which, for the avoidance of doubt, is not limited to profits before tax derived only from any activities between such Subsidiary and Gazprombank and which shall be consolidated in the case of a Subsidiary which itself has Subsidiaries) represents not less than 10 per cent. of the consolidated profit before tax of Gazprombank, as calculated by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited IFRS consolidated accounts of Gazprombank; or
- (iii) whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 10 per cent. of the consolidated total assets of Gazprombank, as calculated by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited IFRS consolidated accounts of Gazprombank; or
- (iv) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of Gazprombank which immediately before the transfer was a Material Subsidiary.

"Noteholder" means, in relation to a Note, the person in whose name such Note is for the time being registered in the register of Noteholders (or, in the case of a joint noteholding, the first named holder thereof).

"Notes" means the RUB13,500,000,000 8.75 per cent. loan participation notes due 2019 proposed to be issued by the Lender pursuant to the Principal Trust Deed as supplemented by the Supplemental Trust Deed.

"Officers' Certificate" means a certificate signed by an officer of Gazprombank who shall be the principal executive officer, principal accounting officer or principal financial officer of Gazprombank.

"Opinion of Counsel" means a written opinion from international legal counsel who is acceptable to the Lender.

"Paying Agent" shall have the meaning attributed to it in the Agency Agreement.

"Person" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state, or agency of a state or any other entity, whether or not having separate legal personality.

"Potential Acceleration Event" means any event or circumstances which could with the giving of notice or the lapse of time become an Acceleration Event.

"Principal Paying Agent" means Citibank, N.A., London Branch.

"Principal Trust Deed" means the amended and restated principal trust deed dated 23 September 2011 between the Lender and the Trustee, as it may be further amended or supplemented from time to time.

"Rate of Interest" has the meaning assigned to such term in sub-Clause 4.1.

"Regulation No. 215-P" means CBR Regulation № 215-P dated 10 February 2003 "On the method of determination of own funds (capital) of credit organisations" (as amended, supplemented or replaced).

"Repurchase Agreement" means any repurchase agreement, buy/sell back agreement, reverse repurchase agreement or stock loan with respect to any securities, whether or not arising in the ordinary course of business.

"Repayment Date" means 29 June 2019.

"Russian Rubles", "Rubles" and "RUB" denote the lawful currency of the Russian Federation.

"Same-Day Funds" means Dollar funds settled through the New York Clearing House Interbank Payments System or such other funds for payment in Dollars as the Lender may at any time reasonably determine to be customary for the settlement of international transactions in New York City of the type contemplated hereby.

"Security Interest" means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction.

"Senior Creditors" means all creditors of Gazprombank other than (i) creditors of Gazprombank whose claims are in respect of the Capital Stock of Gazprombank or (ii) creditors whose claims rank equally with or are subordinated to the claims of the Lender under this Agreement pursuant to Russian law or agreement (to the extent permitted by Russian law);

"Subscription Agreement" means the subscription agreement dated 28 June 2012 between the Lender, Gazprombank and the Lead Manager.

"Subsidiary" means, in relation to any person (the **"first person"**) at any particular time, any other person (the **"second person"**): (i) whose affairs and policies the first person controls or has the power to control, by virtue of its power to appoint or remove members of the governing body of the second person; or (ii) of whose share capital the first person directly or indirectly owns more than half.

"Supplemental Trust Deed" means the supplemental trust deed between the Lender and the Trustee dated 29 June 2012 supplementing the Principal Trust Deed in relation to the Notes.

"Taxes" means any taxes (including interest or penalties thereon) which are now or at any time hereafter imposed, assessed, charged, levied, collected, demanded, withheld or claimed by the Russian Federation, Ireland or any tax authority thereof or therein provided, however, that for the purposes of this definition the references to Ireland shall, upon the occurrence of a Relevant Event (as this term is defined in the Principal Trust Deed), be deemed to be references to the jurisdiction in which the Trustee is domiciled for tax purposes; and the term **"Taxation"** shall be construed accordingly. **"Trustee"** means Citicorp Trustee Company Limited, as trustee under the Principal Trust Deed and Supplemental Trust Deed and any successor thereto as provided thereunder.

"U.S. dollars", "Dollars", "USD", "US\$" and "\$" denote the lawful currency of the United States of America.

1.2 Interpretation

Unless the context or the express provisions of this Agreement otherwise require, the following shall govern the interpretation of this Agreement:

- 1.2.1 All references to "Clause" or "sub-Clause" are references to a Clause or sub-Clause of this Agreement.
- 1.2.2 The terms "hereof", "herein" and "hereunder" and other words of similar import shall mean this Agreement as a whole and not any particular part hereof.
- 1.2.3 Words importing the singular number include the plural and vice versa.
- 1.2.4 All references to "taxes" include all present or future taxes, levies, imposts and duties of any nature and the terms "tax" and "taxation" shall be construed accordingly.
- 1.2.5 The table of contents and the headings are for convenience only and shall not affect the construction hereof.
- 1.2.6 All references to "laws" and "regulations" include such laws and regulations as amended from time to time.

2 Loan and Drawdown

2.1 Loan

On the terms and subject to the conditions set forth herein, the Lender hereby agrees to make available to Gazprombank the loan in the total aggregate amount of RUB13,500,000,000.

2.2 Purpose

The proceeds of the Loan will be used for general corporate purposes, but the Lender shall not be concerned with the application thereof.

2.3 Drawdown

On the terms and subject to the conditions set forth herein, on the Closing Date the Lender shall make the Loan to Gazprombank and Gazprombank shall make a single drawing in the full amount of the Loan.

2.4 Loan Arrangement Fee

In consideration of the Lender's undertaking to make the Loan available to Gazprombank, Gazprombank hereby agrees that it shall, one Business Day before the Closing Date, pay to the Lender to the account No. 11736809 (TO: Citibank, N.A. New York; SWIFT: CITIUS33; TO: Citibank, N.A. London; SWIFT: CITIGB2L; A/C NAME: GPB Eurobond Finance Non-Secured Account; IBAN: GB71CIT118500811736809, REFERENCE: GPB Series 7), in Same-Day Funds, the amount of U.S.\$343,170.25 in connection with the financing of the Loan, including negotiation, preparation and execution of all related documents and other costs connected with and necessary for the extension of the Loan (the "Arrangement Fee"). The Arrangement Fee shall be calculated taking into account the front-end commissions, fees and costs of the Lender in connection with financing the Loan.

2.5 Disbursement

Subject to the conditions set forth herein, on the Closing Date the Lender shall transfer the amount of the Loan to the Gazprombank Account.

2.6 Ongoing Fees and Expenses

In consideration of the Lender agreeing to make the Loan to Gazprombank, Gazprombank shall pay within 15 Business Days of written demand to the Lender each year an amount equating to all ongoing fees, commissions, taxes and reasonable costs incurred by the Lender (including, without limitation, listing fees and expenses, audit fees and expenses, counsel's fees, taxes and corporate service provider fees) as set forth to Gazprombank in an invoice (together with the relevant supporting documents) from the Lender.

3 Subordination of the Loan

3.1 Subordination

The claims of the Lender against Gazprombank in respect of the principal of, and interest on, the Loan will be subordinated on a Bankruptcy Event to the claims of Senior Creditors in accordance with the Federal Law "On Insolvency (Bankruptcy) of Credit Organisations" No. 40-FZ dated 25 February 1999 (as amended, replaced or superseded from time to time) (the "**Insolvency Law**") and will rank at least *pari passu* with the claims of other unsecured subordinated creditors of Gazprombank (whether actual or contingent) having a fixed maturity from time to time outstanding and will be senior to the claims of holders of Gazprombank's Capital Stock in their capacity as shareholders.

3.2 Report

A report in writing as to the solvency of Gazprombank by the liquidator or administrator of Gazprombank shall, unless the contrary is proved, be treated and accepted by Gazprombank and the Lender as correct and sufficient evidence thereof.

3.3 Set-Off

Subject to applicable law, the Lender shall not exercise or claim any right of set-off in respect of any amount owed to it arising under or in connection with this Agreement by Gazprombank, and the Lender shall, by virtue of its execution of this Agreement, be deemed to have waived all such rights of set-off.

3.4 Reclassification

If the CBR fails to issue the Final Conclusion to Gazprombank by the Approval Date, Clause 3.1 shall not apply and the claims of the Lender against Gazprombank in respect of principal of and interest on the Loan will, in the event of a Bankruptcy Event, rank at least *pari passu* with the claims of Senior Creditors and the Loan shall be treated as senior in priority to any unsecured subordinated debt or Capital Stock of Gazprombank.

4 Interest

4.1 Rates of Interest

Gazprombank will pay interest in Russian Rubles to the Lender on the outstanding principal amount of the Loan at the rate of 8.75 per cent. per annum (the "**Rate of Interest**").

4.2 Payment

Interest at the Rate of Interest shall accrue from day to day, starting from (and including) the Closing Date and shall be paid in Russian Rubles annually in arrear not later than 2

p.m. (London time) two Business Days prior to each Interest Payment Date. Interest on the Loan will accrue to (but excluding) the due date for repayment thereof unless payment of principal is improperly withheld or refused by Gazprombank, in which event interest will continue to accrue (before or after any judgment) at the Rate of Interest to but excluding the date on which payment in full of the principal thereof is made. If interest is required to be calculated for a period of less than one year, it will be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of actual days elapsed.

5 Repayment and Prepayment

5.1 Repayment, no Prepayment and no Termination

5.1.1 Except as otherwise provided herein:

- (i) Gazprombank shall repay the Loan not later than 2 p.m. (London time) two Business Days prior to the Repayment Date or as contemplated in Clause 11 together with any accrued and unpaid interest to the date of repayment and any other sums due and payable by Gazprombank pursuant to this Agreement;
- (ii) Gazprombank shall not prepay all or any part of the Loan or interest on the Loan unless the parties agree otherwise and only with the prior written consent of the CBR; and
- (iii) this Agreement may not be terminated earlier than the Repayment Date unless (i) the parties agree otherwise and (ii) only with the prior written consent of the CBR.

5.2 Prepayment Options

Notwithstanding the provisions of Clause 5.1, Gazprombank may;

5.2.1 at its option, and with the prior written consent of the CBR prepay the Loan following the receipt of the Final Conclusion, at any time, if, as a result of any amendment to, clarification of, or change in (including a change in interpretation or application of), Regulation No. 215-P or other applicable requirements of the CBR, the Loan would cease to qualify as Own Funds. The Loan shall be prepaid at the principal amount thereof in whole, but not in part, provided that notice thereof together with an Officers' Certificate confirming the existence of the relevant circumstances permitting such a prepayment shall be given to the Lender, with a copy to the Trustee, not less than 30 days and not more than 60 days prior to the date of prepayment. Upon the delivery of such notice and such Officers' Certificate, Gazprombank shall be bound on the prepayment date to repay the Loan (in whole but not in part) at the principal amount thereof; and

5.2.2 prepay the Loan (in whole but not in part) at any time after the Approval Date, if the CBR does not issue to Gazprombank the Final Conclusion on or before the Approval Date. The Loan shall be prepaid at the principal amount thereof in whole, but not in part, provided that notice thereof together with an Officers' Certificate confirming the existence of the relevant circumstances permitting such a prepayment shall be given to the Lender, with a copy to the Trustee, not less than 30 days and not more than 60 days prior to the date of prepayment. Upon the

delivery of such notice and such Officers' Certificate, Gazprombank shall be bound on the prepayment date to repay the Loan (in whole but not in part) at the principal amount thereof.

5.3 Special Prepayment for Tax Reasons or Change in Circumstances

If by reason of the introduction of any change in any Russian law, regulation, regulatory requirement or directive of any Russian agency after the date of this Agreement, Gazprombank would thereby be required to make or increase any payment due pursuant to this Agreement as provided in Clauses 6.2 or 6.3 (other than, in each case, where the increase in payment is in respect of any amounts due or paid pursuant to Clauses 2 and 14.2), or if (for whatever reason) Gazprombank would have to or has been required to pay additional amounts pursuant to Clause 8, and in any such case such obligation cannot be avoided by Gazprombank taking all reasonable measures available to it, then Gazprombank may (without premium or penalty) if it obtains the prior written consent of the CBR, upon not less than 30 days and not more than 60 days notice to the Lender, with a copy to the Trustee, (which notice shall be irrevocable), prepay the Loan in whole (but not in part) on the date specified in the notice, in an amount equal to the outstanding principal amount of the Loan.

5.4 Payment of Other Amounts

If the Loan is to be prepaid by Gazprombank pursuant to the provisions of sub-Clauses 5.2 or 5.3 Gazprombank shall, simultaneously with such prepayment, pay to the Lender accrued but unpaid interest thereon to the date of actual receipt of payment by the Lender and all other sums payable by Gazprombank pursuant to this Agreement.

6 Payments

6.1 Making of Payments

All payments of principal and interest to be made by Gazprombank under this Agreement shall be made unconditionally by credit transfer to the Lender not later than 2 p.m. (London time) two Business Days prior to each Interest Payment Date, any date set for prepayment of the Loan in accordance with Clause 5 or the Repayment Date (as the case may be) in Same-Day Funds to the Account. The Lender agrees with Gazprombank that the Lender will not deposit any other monies into the Account and that no withdrawals shall be made from the Account other than for payments to be made in accordance with the Principal Trust Deed as supplemented by the Supplemental Trust Deed (and as supplemented or amended from time to time) and Agency Agreement.

6.2 No Set-Off, Counterclaim or Withholding; Gross-Up

All payments to be made by Gazprombank under this Agreement shall be (i) made in full without set-off or counterclaim and (except to the extent required by law) free and clear of and without deduction for or on account of any Taxes and (ii) made only from the Russian Federation, Ireland or such other jurisdiction which would not require any deductions or withholding from any such payment. If Gazprombank is required by applicable law to make any deduction or withholding from any payment under this Agreement for or on account of any such Taxes, it shall, on the due date of such payment, increase any payment due hereunder to such amount as may be necessary to ensure that the Lender receives a net amount in Dollars equal to the full amount which it would have received had payment not

been made subject to such Taxes, shall account to the relevant authorities for the relevant amount of such Taxes so withheld or deducted within the time allowed for such payment under the applicable law and shall deliver to the Lender without undue delay evidence satisfactory to the Lender of such deduction or withholding and of the accounting therefor to the relevant taxing authority. If the Lender pays any amount in respect of such Taxes, including penalties or interest, Gazprombank shall reimburse the Lender in Dollars for such payment on demand. For the avoidance of doubt, this Clause 6.2 is without prejudice to the obligation of the Lender pursuant to Clause 6.6.

6.3 Withholding on the Notes

If the Lender notifies Gazprombank (setting out in reasonable detail the nature and extent of the obligation and providing, upon the request of Gazprombank, an Opinion of Counsel in respect of the existence of such obligation, with the cost of such Opinion of Counsel to be borne solely by Gazprombank) that it has become obliged to make any withholding or deduction for or on account of any present or future taxes, assessments or governmental charges of whatever nature imposed or levied, collected, withheld or assessed by or on behalf of Ireland or any political subdivision or any authority thereof or therein having the power to tax from any payment which it is obliged to make, or would otherwise be obliged to make but for the imposition of any such withholding or deduction for or on account of any such taxes under or in respect of the Notes, Gazprombank agrees to pay into the Account for the benefit of the Lender, not later than 2 p.m. (London time) one Business Day prior to the date on which payment from the Lender is due in Same-Day Funds, such additional amounts as are equal to the said additional amounts which the Lender would be required to pay in order that the net amounts received by the Noteholders after such withholding or deduction will equal the respective amounts which would have been received by the Noteholders in the absence of such withholding or deduction; provided, however, that the Lender shall immediately upon receipt from any Paying Agent of the reimbursement of any sums paid pursuant to this provision, to the extent that the Noteholders, as the case may be, are not entitled to such additional amounts pursuant to the terms and conditions of the Notes, pay such additional amounts to Gazprombank (it being understood that neither the Lender, nor the Principal Paying Agent nor any Paying Agent shall have any obligation to determine whether any Noteholder is entitled to such additional amounts).

6.4 Reimbursement

To the extent that the Lender subsequently obtains or uses any tax credit or allowance or other reimbursements relating to a deduction or withholding with respect to which Gazprombank has made a payment pursuant to this Clause 6 or obtains any other reimbursement in connection therewith, it shall promptly pay to Gazprombank so much of the benefit received as will leave the Lender in substantially the same position as it would have been had no additional amount been required to be paid by Gazprombank pursuant to this Clause 6; provided, however, that the question of whether any such benefit has been received, and accordingly, whether any payment should be made to Gazprombank, the amount of any such payment and the timing of any such payment, shall be determined in the reasonable judgment of the Lender, *provided that* the Lender shall notify Gazprombank promptly upon determination that it has received any such benefits.

6.5 Mitigation

If at any time either party hereto becomes aware of circumstances which would or might, then or thereafter, give rise to an obligation on the part of Gazprombank to make any deduction, withholding or payment as described in sub-Clauses 6.2 or 6.3, then, without in any way limiting, reducing or otherwise qualifying the Lender's rights, or Gazprombank's obligations, under such sub-Clause, such party shall as soon as reasonably practicable upon becoming aware of such circumstances notify the other party, and, thereupon the parties shall consider and consult with each other in good faith with a view to finding, agreeing upon and implementing a method or methods by which any such obligation may be avoided or mitigated and, to the extent that both parties can do so without taking any action which in the reasonable opinion of such party is prejudicial to its own position, take such reasonable steps as may be reasonably available to it to avoid such obligation or mitigate the effect of such circumstances. Gazprombank agrees to reimburse the Lender for all properly incurred costs and expenses (including but not limited to legal fees) incurred by the Lender in connection with this sub-Clause.

6.6 Tax Treaty Relief

6.6.1 At the request of Gazprombank, the Lender shall once in each calendar year, prior to the first Interest Payment Date in such calendar year, provide Gazprombank no later than five Business Days prior to such Interest Payment Date (but in any event not before 31 January in each year) with a tax residency certificate issued or certified by (as applicable) the competent authorities of Ireland confirming that the Lender is resident for tax purposes in Ireland at such time. At the cost of Gazprombank, the residency certificate shall be apostilled at the Irish Department of Foreign Affairs. The Lender shall not be responsible for any failure to provide, or any delays in providing, such tax residency certificate as a result of any action or inaction of any authority of Ireland, but shall notify Gazprombank as soon as practicable about any such failure or delay with an indication of the actions taken by the Lender to obtain such tax residency certificate.

6.6.2 If Russian legislation regulating the procedures for obtaining an exemption from Russian withholding tax on income changes, the Lender shall use its reasonable and timely efforts to assist Gazprombank to obtain relief from such tax pursuant to the double taxation treaty between the Russian Federation and Ireland.

7 Conditions Precedent

7.1 Documents to be Delivered

The obligation of the Lender to make the Loan shall be subject to the receipt by the Lender on or prior to the Closing Date of evidence that the persons mentioned in sub-Clauses 14.11.1 and 14.11.2 hereof have agreed to receive process in the manner specified therein.

7.2 Further Conditions

The obligation of the Lender to make the Loan shall be subject to the further conditions precedent that as of the Closing Date (a) the representations and warranties made and given by Gazprombank in Clause 9 shall be true and accurate as if made and given on the Closing Date with respect to the facts and circumstances then existing, (b) no event shall have occurred and be continuing that constitute a Potential Acceleration Event or an

Acceleration Event, (c) Gazprombank shall not be in breach of any of the terms, conditions and provisions of this Agreement and (d) the Subscription Agreement and the Supplemental Trust Deed shall have been executed and delivered, and the Lender shall have received the full amount of the proceeds of the issue of the Notes pursuant to the Subscription Agreement as well as receipt of the Arrangement Fee under Clause 2.4..

8 Change in Law or Increase in Cost

8.1 Compensation

In the event that after the date of this Agreement there is any change in or introduction of any tax, law, regulation, regulatory requirement or official directive (whether or not having the force of law but, if not having the force of law, the observance of which is in accordance with the generally accepted financial practice of financial institutions in the country concerned) or in the interpretation or application thereof by any person charged with the administration thereof and/or any compliance by the Lender in respect of the Loan with any request, policy or guideline (whether or not having the force of law but, if not having the force of law, the observances of which is in accordance with the generally accepted financial practice of financial institutions in the country concerned) from or of any central or other fiscal, monetary or other authority, agency or any official of any such authority, which:

- 8.1.1 subjects or will subject the Lender to any Taxes with respect to payments of principal of or interest on the Loan or any other amount payable under this Agreement; or
- 8.1.2 increases or will increase the taxation of or changes or will change the basis of taxation of payments to the Lender of principal of or interest on the Loan or any other amount payable under this Agreement; or
- 8.1.3 imposes or will impose on the Lender any other condition affecting this Agreement or the Loan,

and if as a result of any of the foregoing:

- (i) the cost to the Lender of making, funding or maintaining the Loan is increased; or
- (ii) the amount of principal, interest or other amount payable to or received by the Lender hereunder is reduced; or
- (iii) the Lender makes any payment or foregoes any interest or other return on or calculated by reference to the gross amount of any sum receivable by it from Gazprombank hereunder or makes any payment or foregoes any interest or other return on or calculated by reference to the gross amount of the Loan,

then subject to the following, and in each such case:

- (a) the Lender shall, as soon as practicable after becoming aware of such increased cost, reduced amount or payment made or foregone, give written notice to Gazprombank, together with a certificate signed by the Lender describing in reasonable detail the introduction or change or request which has occurred and the country or jurisdiction concerned and the nature and date thereof and demonstrating the connection between such introduction, change or request and such increased cost, reduced amount or payment

made or foregone, and setting out in reasonable detail the basis on which such amount has been calculated, and all relevant supporting documents evidencing the matters set out in such certificates; and

- (b) Gazprombank, in the case of clauses (i) and (iii) above, shall on demand by the Lender, pay to the Lender such additional amount as shall be necessary to compensate the Lender for such increased cost, and, in the case of clause (ii) above, at the time the amount so reduced would otherwise have been payable, pay to the Lender such additional amount as shall be necessary to compensate the Lender for such reduction, payment or foregone interest or other return; provided, however, the amount of such increased cost, reduced amount or payment made or foregone shall be deemed not to exceed an amount equal to the proportion thereof which is directly attributable to this Agreement,

provided that this sub-Clause 8.1 will not apply to or in respect of any matter for which the Lender has already been compensated under sub-Clause 6.2.

8.2 Mitigation

In the event that the Lender becomes entitled to make a claim pursuant to sub-Clause 8.1, the Lender shall consult in good faith with Gazprombank and shall use reasonable efforts (based on the Lender's reasonable interpretation of any relevant tax, law, regulation, requirement, official directive, request, policy or guideline) to reduce, in whole or in part, Gazprombank's obligations to pay any additional amount pursuant to such sub-Clause, except that nothing in this sub-Clause 8.2 shall obligate the Lender to incur any costs or expenses in taking any action which, in the reasonable opinion of the Lender, is prejudicial to its interests.

9 Representations and Warranties

9.1 Gazprombank's Representations and Warranties

Gazprombank represents and warrants to the Lender as follows, with the intent that such shall form the basis of this Agreement at the date hereof and shall be deemed to be repeated by Gazprombank on the Closing Date:

- 9.1.1 Gazprombank is duly organised and incorporated and validly existing under the laws of the Russian Federation and has the power and legal right to own its property, to conduct its business as currently conducted and to enter into and to perform its obligations under this Agreement and to borrow the Loan; Gazprombank has taken all necessary corporate, legal and other action required to authorise the borrowing of the Loan on the terms and subject to the conditions of this Agreement and to authorise the execution and delivery of this Agreement and all other documents to be executed and delivered by it in connection with this Agreement, and the performance of this Agreement in accordance with its terms.
- 9.1.2 This Agreement has been duly executed and delivered by Gazprombank and constitutes a legal, valid and binding obligation of Gazprombank enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, moratorium and similar laws affecting creditors' rights generally, and subject, as to enforceability, (i) to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law); (ii) with respect to the enforceability

of a judgment whether there is a treaty in force relating to the mutual recognition of foreign judgments; and (iii) to the fact that the gross-up provisions contained in sub-Clause 6.2 or 6.3 may not be enforceable under Russian law.

- 9.1.3 The execution, delivery and performance of this Agreement by Gazprombank will not conflict with or result in any breach or violation of (i) any law or regulation or any order of any governmental, judicial or public body or authority in the Russian Federation, (ii) the constitutive documents, rules and regulations of Gazprombank or (iii) any agreement or other undertaking or instrument to which Gazprombank is a party or which is binding upon Gazprombank or any of its assets, nor result in the creation or imposition of any Security Interest on any of its assets pursuant to the provisions of any such agreement or other undertaking or instrument.
- 9.1.4 All consents, authorisations or approvals of, or filings with, any governmental, judicial and public bodies and authorities of the Russian Federation required by Gazprombank in connection with the execution, delivery, performance, legality, validity, enforceability, and admissibility in evidence of this Agreement have been obtained or effected and are in full force and effect.
- 9.1.5 No Potential Acceleration Event, Acceleration Event or a default (where, in the case of a default only, such would have a Material Adverse Effect) under any agreement or instrument evidencing any Indebtedness of Gazprombank has occurred, and no such event will occur upon the making of the Loan.
- 9.1.6 Save as disclosed in the Base Prospectus, there are no judicial, arbitral or administrative actions, proceedings or claims pending or, to the knowledge of Gazprombank, threatened, against Gazprombank or any of its Material Subsidiaries, the adverse determination of which could be reasonably expected to have a Material Adverse Effect (excluding proceedings which are frivolous or vexatious).
- 9.1.7 Gazprombank and each of its Material Subsidiaries has the right of ownership (as that expression is defined under the laws of the Russian Federation) to its property free and clear of all Security Interests which if created could have a Material Adverse Effect and Gazprombank's obligations under the Loan constitute direct, unconditional, unsecured and subordinated obligations of Gazprombank.
- 9.1.8 The most recent audited consolidated financial statements and unaudited interim consolidated financial statements of Gazprombank:
- (i) were prepared in accordance with IFRS, as consistently applied; and
 - (ii) present fairly in all material respects the assets and liabilities as at their respective dates and the results of operations of Gazprombank during the relevant financial year or six month period (as the case may be).
- 9.1.9 There has been no material adverse change since 31 March 2012 in the financial condition, results of business operations or prospects of Gazprombank or the Group taken as a whole.
- 9.1.10 The execution, delivery and enforceability of this Agreement is not subject to any tax, duty, fee or other charge, including, without limitation, any registration or transfer tax, stamp duty or similar levy, imposed by or within the Russian Federation or any political subdivision or taxing authority thereof or therein.

- 9.1.11 Neither Gazprombank nor its property has any right of immunity from suit, execution, attachment or other legal process on the grounds of sovereignty or otherwise in respect of any action or proceeding relating in any way to this Agreement.
- 9.1.12 Gazprombank is in compliance in all material respects with all applicable provisions of law except where failure to be so in compliance would not have a Material Adverse Effect.
- 9.1.13 Neither Gazprombank, nor any of its Material Subsidiaries has taken any corporate action nor, to the best of the knowledge and belief of Gazprombank, have any other steps been taken or legal proceedings been started or threatened in writing against Gazprombank or any of its Material Subsidiaries for its bankruptcy, winding-up, dissolution, external administration or re-organisation (whether by voluntary arrangement, scheme of arrangement or otherwise) or for the appointment of a receiver, administrator, administrative receiver, conservator, custodian, trustee or similar officer of its or of any or all of its assets or revenues.
- 9.1.14 There are no strikes or other employment disputes against Gazprombank which are pending or, to Gazprombank's knowledge, threatened in writing which could have a Material Adverse Effect.
- 9.1.15 Save as disclosed in the Base Prospectus, in any proceedings taken in the Russian Federation in relation to this Agreement, the choice of English law as the governing law of this Agreement and any arbitration award obtained in England pursuant to Clause 14.10 in relation to this Agreement should be recognised and enforced in the Russian Federation after compliance with the applicable procedural rules and all other legal requirements in Russia.
- 9.1.16 Under the laws of the Russian Federation, it will not, subject to Clause 6.6, be required to make any deduction or withholding from any payment it may make hereunder.
- 9.1.17 It has no overdue tax liabilities which could have a Material Adverse Effect other than those which it has disclosed to the Lender prior to the date hereof or which it is contesting in good faith.
- 9.1.18 All licences, consents, examinations, clearances, filings, registrations and authorisations which are or may be necessary to enable Gazprombank and any of its Material Subsidiaries to own its assets and carry on its business are in full force and effect, the absence of which could have a Material Adverse Effect.

9.2 Lender's Representations and Warranties

The Lender represents and warrants to Gazprombank as follows:

- 9.2.1 The Lender is duly incorporated under the laws of and is resident in Ireland and subject to taxation in Ireland not merely on the basis of the source of its income or location of its property but on the basis of its registration as a legal entity, location of its management body or other similar criteria. The Lender does not have and will not have a permanent establishment or presence in Russia, save as may be caused as a result of the Lender entering into this Agreement or any other loan agreement with Gazprombank or by the performance of its obligations hereunder. The Lender has full power and capacity to execute this Agreement and to

undertake and perform the obligations expressed to be assumed by it herein and therein and the Lender has taken all necessary corporate action to approve and authorise the same.

- 9.2.2 The Loan and the Notes will be included in the Lender's balance sheet for the purpose of Irish GAAP. The Loan will be treated as an asset of the Lender under accounting guidance applicable in Ireland.
- 9.2.3 The execution of this Agreement and the undertaking and performance by the Lender of the obligations expressed to be assumed by it herein will not conflict with, or result in a breach of or default under, the laws of Ireland or the constitutive documents of the Lender.
- 9.2.4 This Agreement constitutes legal, valid and binding obligations of the Lender, subject to applicable bankruptcy, insolvency, moratorium and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity.
- 9.2.5 All authorisations, consents and approvals required by the Lender in Ireland for or in connection with the execution of this Agreement, and the performance by the Lender of the obligations expressed to be undertaken by it herein and therein have been obtained and are in full force and effect.
- 9.2.6 The Lender does not own, either directly or indirectly, any shares of Gazprombank.
- 9.2.7 This Agreement has been duly executed by the Lender.
- 9.2.8 The Lender has taken no action (other than entering into loan arrangements with Gazprombank) which would cause it to become registered in Russia for VAT purposes.
- 9.2.9 There is no reference to the territory of Russia as the actual place of the Lender's activity in the memorandum or articles of association of the Issuer.
- 9.2.10 The directors of the Lender are resident in Ireland for tax purposes.
- 9.2.11 The meetings of the board of directors of the Lender physically take place in Ireland and will continue to physically take place in Ireland.

10 Covenants

10.1 Reports

- 10.1.1 So long as any amount remains outstanding hereunder, Gazprombank will furnish to the Lender commencing with the year ending 31 December 2011, within 6 months of each relevant period (i) year-end audited annual financial statements prepared in accordance with IFRS as consistently applied, including a report thereon by Gazprombank's certified independent accountants and (ii) 6 month interim, unaudited financial statements prepared in accordance with IFRS as consistently applied.
- 10.1.2 On each Interest Payment Date and within 14 days of any request by the Lender, Gazprombank shall deliver to the Lender a written notice in the form of an Officers' Certificate stating whether any Acceleration Event or Potential Acceleration Event or default in the performance or observance of any of its obligations under this

Agreement has occurred and, if it has occurred and shall be continuing, what action Gazprombank is taking or proposes to take with respect thereto.

- 10.1.3 Gazprombank will on reasonable request of the Lender provide the Lender with such further information other than information which Gazprombank determines in good faith to be confidential about the business and financial condition of Gazprombank and its Subsidiaries as the Lender may require (including information deliverable pursuant to Clause 15.6 of the Principal Trust Deed and an Officer's Certificate identifying, as at a date no more than 14 days before the date of the certificate, those Subsidiaries which are Material Subsidiaries). Where the request relates to Gazprombank or its Material Subsidiaries, the further information will be provided within 15 Business Days, and where the request relates to a Subsidiary which is not a Material Subsidiary, that information or further information will be provided within one calendar month.
- 10.1.4 Promptly upon receipt by Gazprombank of the CBR's Final Conclusion or written consent or objection, as required by Clause 14.19, Gazprombank shall deliver a copy of that Final Conclusion or written consent or objection to the Lender.

10.2 Assistance

Gazprombank shall give to the Lender all the assistance it reasonably requests to ensure the Lender's relief from Russian withholding tax in respect of payments hereunder.

10.3 Capital Treatment

If the Loan is to be treated as Own Funds by Gazprombank, Gazprombank will use its best efforts to procure that the CBR issue a final conclusion (*zakluchenie*) for such treatment, and will provide all relevant information about the Loan to the CBR as may be necessary for the issuance of such final conclusion (*zakluchenie*).

11 Acceleration Events

11.1 Payment Default

If Gazprombank fails to pay within five Business Days any amount payable under this Agreement as and when such amount becomes payable in the currency and in the manner specified therein, the Lender may, at its discretion and without further notice, institute proceedings in the manner and to the extent contemplated by the applicable law for the insolvency (bankruptcy) of Gazprombank and/or to prove for its debt, and claim, in any consequent liquidation of Gazprombank.

11.2 Winding-up

On the occurrence of any of the following events:

- 11.2.1 the commencement of any liquidation of Gazprombank (*likvidatsia*, as such term is defined under the Civil Code of the Russian Federation);
- 11.2.2 the entering into force of the decision of a competent court of the Russian Federation on bankruptcy of Gazprombank (*reshenie o priznanii dolzhnika bankrotom*, as such term is defined under Insolvency Law);
- 11.2.3 any revocation of any licence for the performance of banking operations of Gazprombank, or

11.2.4 any other event, under Russian law, whereby the obligations of Gazprombank under this Agreement are accelerated,

the Lender may give notice to Gazprombank that under the laws of the Russian Federation the Loan is, and it shall accordingly become, due and repayable (*srok ispoleninya obyazatelstv schitaetsya nastypivshim*, as such term is used in Russian law) (subject to and in accordance with the provisions of Clause 3.1 above) at the principal amount thereof together with any interest accrued and unpaid to the date of repayment and any other sums due and payable by Gazprombank pursuant to this Agreement, and the Lender may, at its discretion and without further notice, take any actions in the manner and to the extent contemplated by the applicable law of the Russian Federation to prove for its debt and/or, to the extent applicable, commence liquidation or winding up proceedings of Gazprombank.

11.3 Notice of Acceleration Event

Gazprombank shall deliver to the Lender, within 30 days after becoming aware thereof, written notice of any event described in Clauses 11.1 and 11.2 (each an "**Acceleration Event**"), its status and what action Gazprombank is taking or proposes to take with respect thereto.

11.4 Proceedings

In addition to its rights under Clauses 11.1 and 11.2, the Lender may institute such other proceedings against Gazprombank as it may think fit to enforce any obligation, condition or provision binding on Gazprombank under this Agreement (other than any obligation for payment of any principal or interest in respect of the Loan contemplated by Clause 11.1) provided that Gazprombank shall not by virtue of any such proceedings be obliged to pay (i) any sum or sums representing or measured by reference to principal or interest in respect of the Loan sooner than the same would otherwise have been payable by it or (ii) any damages.

12 Rights Not Exclusive

The rights provided for in this Agreement are cumulative and are not exclusive of any other rights, powers, privileges or remedies provided by law.

13 Indemnity

13.1 Indemnification

Gazprombank undertakes to the Lender, that if the Lender or any director, officer, employee or agent of the Lender and each person controlling the Lender (each an "**indemnified party**") incurs any loss, liability, claim, demand or damage, charge or expense (including without limitation taxes and properly incurred legal fees, costs and expenses) (a "**Loss**") as a result of or in connection with the Loan or this Agreement (or enforcement thereof) (excluding a Loss that is the subject of the undertakings contained in sub-Clause 6.2, Clause 8 and sub-Clause 14.6 of this Agreement (it being understood that the Lender may not recover twice in respect of the same Loss)) and/or the issue, constitution, sale, listing and/or enforcement of the Notes and/or the Notes being outstanding, Gazprombank shall pay to the Lender on demand an amount equal to such Loss, on an after tax basis, and all costs, charges and expenses which it or any

indemnified party may pay or incur in connection with investigating, disputing or defending any such action or claim as such costs, charges and expenses are incurred unless such Loss was either caused by such indemnified party's negligence or wilful misconduct or arises out of a breach of the representations and warranties of the Lender contained in the Schedule A of the Dealer Agreement. The Lender shall not have any duty or obligation whether as fiduciary or trustee for any indemnified party or otherwise, to recover any such payment or to account to any other Person for any amounts paid to it under this Clause.

If and to the extent the Lender finally and irrevocably recovers from any person other than Gazprombank any damages in connection with, or arising out of, any litigation or arbitration in respect of the Notes, and has previously been indemnified by Gazprombank pursuant to this Clause 13.1 in respect of the Loss, on an after tax basis, corresponding to such damages, the Lender shall pay to Gazprombank the amount of such damages less any applicable fees, cost and expenses including, but not limited to, the cost of such litigation or arbitration that have not been otherwise finally and irrevocably recovered. Notwithstanding the foregoing, in no event shall the Lender be obliged to seek recovery of damages from third parties before it requires indemnification pursuant to this Clause 13.1 or if it has previously been indemnified by Gazprombank with respect to the corresponding Loss.

13.2 Conduct of Claim

If any proceeding (including a governmental investigation), claim or demand shall be instituted involving some or all of the indemnified parties in respect of which indemnity may be sought pursuant to Clause 13.1, the indemnified party shall promptly notify Gazprombank in writing and Gazprombank shall, unless the indemnified party elects to assume the defence itself, assume the defence thereof and appoint lawyers satisfactory to the indemnified party and shall be liable to pay the fees and expenses of such lawyers related to such proceeding. In any proceeding, the indemnified party shall have the right to retain its own lawyers, but the fees and expenses of such lawyers shall be at the expense of the indemnified party unless (i) Gazprombank and the indemnified party shall have mutually agreed to the retention of such lawyers or (ii) the named parties to any such proceeding (including any joined parties) include Gazprombank and the indemnified party and representation of both parties by the same lawyers (in the discretion of the indemnified party) would be inappropriate due to actual or potential differing interests, in the opinion of the indemnified party, between them or (iii) pursuant to the previous sentence, the indemnified party has elected to assume the defence itself or Gazprombank has failed to appoint lawyers satisfactory to the indemnified party. Gazprombank shall reimburse such fees and expenses as they are incurred in respect of (i), (ii) and (iii) above. Gazprombank shall not be liable for any settlement of any such proceeding, claim or demand effected without its written consent (provided that such consent shall not be unreasonably withheld or delayed), but if settled with such consent (or without such consent in circumstances where such consent shall have been unreasonably withheld or delayed as aforesaid) or if there be a final judgment for the plaintiff, Gazprombank agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. Gazprombank will not settle any proceeding in respect of which indemnity may be sought pursuant to Clause 13.1 without the written consent of the indemnified party.

13.3 Independent Obligation

Sub-Clause 13.1 constitutes a separate and independent obligation of Gazprombank from its other obligations under or in connection with this Agreement and shall not affect, or be construed to affect, any other provision of this Agreement.

13.4 Evidence of Loss

A certificate of the Lender supported by the relevant documentation setting forth the amount of the Loss and specifying in full detail the basis therefor shall be *prima facie* evidence of the amount of such losses, expenses and liabilities.

13.5 Survival

The obligations of Gazprombank pursuant to sub-Clauses 2.6, 6.2, 6.3, 13.1, 14.2, 14.6, 14.17 and 14.18 shall survive the execution and delivery of this Agreement, the drawdown of the Loan and the repayment of the Loan, in each case by Gazprombank.

14 General

14.1 Evidence of Debt

The entries made by the Lender in the accounts maintained by the Lender in accordance with its usual practice and evidencing the amounts from time to time lent by and owing to it hereunder shall, in the absence of manifest error, be *prima facie* evidence of the existence and amounts of Gazprombank's obligations recorded herein.

14.2 Stamp Duties

14.2.1 Gazprombank shall pay all stamp, registration and documentary taxes, duties, or similar charges (if any) imposed on Gazprombank by any person in the United Kingdom, the Russian Federation or Ireland which may be payable or determined to be payable in connection with the execution, delivery, performance, enforcement, or admissibility into evidence of this Agreement and shall indemnify and reimburse the Lender against any and all costs, expenses or penalties which may be incurred or suffered by the Lender with respect to, or resulting from, any delay or failure by Gazprombank to pay such taxes or similar charges upon presentation by the Lender to Gazprombank of documentary evidence of such costs and expenses.

14.2.2 Gazprombank agrees that if the Lender incurs a liability to pay any stamp, registration and documentary taxes or similar charges (if any) imposed by any person in the United Kingdom, Russian Federation or Ireland which may be payable or determined to be payable in connection with the execution, delivery, performance, enforcement, or admissibility into evidence of this Agreement, Gazprombank shall repay the Lender on demand an amount equal to such stamp or other documentary taxes or duties and shall indemnify the Lender against any and all costs and expenses which may be incurred or suffered by the Lender with respect to, or resulting from, delay or failure by Gazprombank to procure the payment of such taxes or similar charges.

14.3 Waivers

No failure to exercise and no delay in exercising, on the part of the Lender or Gazprombank, any right, power or privilege hereunder and no course of dealing between Gazprombank and the Lender shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof, or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and not exclusive of any rights, or remedies provided by applicable law.

14.4 Notices

All notices, requests, demands or other communications to or upon the respective parties hereto shall be given or made in the English language by facsimile transmission, electronic communication or otherwise in writing, addressed as follows:

14.4.1 if to Gazprombank:

Gazprombank (Open Joint-stock Company)
16 Block 1, Nametkina Street
117420 Moscow
Russian Federation

Fax: + 7(495)332-77-83
Email: debt.management.notices@gazprombank.ru
Attention: Debt Management / Back Office

14.4.2 if to the Lender:

GPB Eurobond Finance PLC
5 Harbourmaster Place
IFSC
Dublin 1
Ireland

Fax: + 353 1 680 6050
Email: corporate.services@db.com
Attention: The Directors

or to such other address or fax number as any party may hereafter specify in writing to the other.

Any notice sent by post as provided in this Clause 14 shall be deemed to have been given, made or served when delivered and any notice sent by facsimile transmission as provided in this Clause 14 shall be deemed to have been given, made or served when the relevant delivery receipt is received by the sender and any notice sent by electronic communication as provided in this Clause 14 shall be deemed to have been given, made or served when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication; provided that any communication which is received (or deemed to take effect in accordance with the foregoing) outside business hours or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such place. Any communication delivered to any party under this

Agreement which is to be sent by facsimile transmission or electronic communication will be written legal evidence.

14.5 Assignment

14.5.1 Subject to Clause 14.5.2, this Agreement shall inure to the benefit of and be binding upon the parties, their respective successors and any permitted assignee or transferee of some or all of a party's rights under this Agreement. Any reference in this Agreement to any party shall be construed accordingly and, in particular, references to the exercise of rights and discretions or the making of any determination by the Lender, shall include references to the exercise of such rights or discretions by or the making of such determination by the Trustee (as Trustee). Notwithstanding the foregoing, the Trustee shall not be entitled to participate in any determinations by the Lender or any discussions between the Lender and Gazprombank or any agreements of the Lender or Gazprombank, pursuant to Clauses 6.4, 6.5 or 8.2.

14.5.2 Gazprombank shall not assign or transfer all or any part of its rights or obligations hereunder to any other party.

14.5.3 Subject to the provisions of Clause 26 of the Principal Trust Deed, the Lender may not assign or transfer, in whole or in part, any of its rights and benefits under this Agreement other than the Reserved Rights (as defined in the Principal Trust Deed) except that the Lender may charge by way of fixed first charge in favour of the Trustee (as Trustee) of certain of the Lender's rights and benefits under this Agreement and assign absolutely to the Trustee certain rights, interests and benefits under this Agreement, in each case, as set out in Clause 4 of the Principal Trust Deed as supplemented by Clause 6 of the Supplemental Trust Deed.

14.6 Currency Indemnity

To the fullest extent permitted by law, the obligation of Gazprombank in respect of any amount due in Dollars under this Agreement shall, notwithstanding any payment in any other currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in Dollars that the Lender may, in accordance with normal banking procedures, purchase with the sum paid in such other currency (after any premium and costs of exchange) on the Business Day immediately following the day on which the Lender receives such payment. If the amount in Dollars that may be so purchased for any reason falls short of the amount originally due (the "**Due Amount**"), Gazprombank hereby agrees to indemnify and hold harmless the Lender against any deficiency in Dollars. Any obligation of Gazprombank not discharged by payment in Dollars shall, to the fullest extent permitted by applicable law, be due as a separate and independent obligation and, until discharged as provided herein, shall continue in full force and effect. If the amount in Dollars that may be purchased exceeds that Due Amount the Lender shall promptly pay the amount of the excess to Gazprombank.

14.7 Prescription

In the event that the Notes become void pursuant to Condition 11 of the Notes, the Lender shall forthwith repay to Gazprombank the principal amount of such Note subject to the Lender having previously received from Gazprombank, and being in possession of, a corresponding amount in respect of principal pursuant to this Agreement.

14.8 Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

14.9 Choice of Law

This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

14.10 Jurisdiction

The parties irrevocably agree that any dispute arising out of or connected with this Agreement, including a dispute as to the validity, existence or termination of this Agreement or the consequences of its nullity and/or this Clause (a "Dispute"), shall be resolved:

14.10.1 subject to sub-Clause 14.10.2 below, by arbitration in London, England, conducted in the English language by three arbitrators, in accordance with the LCIA Rules, which rules are deemed to be incorporated by reference into this Clause, save that, Article 56 of the LCIA Rules shall be amended as follows: unless the parties agree otherwise, the third arbitrator, who shall act as chairman of the tribunal, shall be nominated by the two arbitrators nominated by or on behalf of the parties. If he is not so nominated within 30 days of the date of nomination of the later of the two party-nominated arbitrators to be nominated, he shall be chosen by the LCIA. Save as provided in sub-Clause 14.10.2, the parties agree to exclude the jurisdiction of the English courts under section 45 and 69 of the Arbitration Act 1996; or

14.10.2 at the sole option of the Lender, by proceedings brought in the courts of England, which courts are to have exclusive jurisdiction. If the Lender is in the position of a Respondent and the Lender wishes to exercise this option, it must do so by notice to the other parties to the Dispute within 30 days of service on it of the request for arbitration.

For the avoidance of doubt, sub-Clause 14.10.2 is for the benefit of the Lender alone and shall not limit the right of the Lender to bring proceedings in any other court of competent jurisdiction.

14.11 Process Agents

14.11.1 Lender's Process agent

The Lender agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to the attention of Aquila International Services Limited of 2nd Floor, Berkeley Square House, Berkeley Square, London, W1J 6BD or, if different, its registered office for the time being or at any address of the Lender in Great Britain at which process may be served on such person in accordance with Part 34 of the Companies Act 2006 (as modified or re-enacted from time to time). If such person is not or ceases to be effectively appointed to accept service of process on the Lender's behalf, the Lender irrevocably agrees to appoint a new process agent in England acceptable to Gazprombank and to deliver to Gazprombank within 14 days a copy of a written acceptance of appointment by the new process agent. Nothing in this Agreement

shall affect Gazprombank's right to serve process in any other manner permitted by law.

14.11.2 Gazprombank's Process agent

Gazprombank agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to Aquila International Services Limited of 2nd Floor, Berkeley Square House, Berkeley Square, London, W1J 6BD or its other principal place of business in England for the time being or at any other address for the time being at which process may be served on such person in accordance with Part 34 of the Companies Act 2006 (as modified or re-enacted from time to time). If such person is not or ceases to be effectively appointed to accept service of process on Gazprombank's behalf, Gazprombank irrevocably agrees to appoint a new process agent in England acceptable to the Lender and to deliver to the Lender within 14 days a copy of a written acceptance of appointment by the new process agent. Nothing in this Agreement shall affect the Lender's right to serve process in any other manner permitted by law.

14.12 Counterparts

This Agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same agreement.

14.13 Language

The language which governs the interpretation of this Agreement is the English language.

14.14 Amendments

No variation of, or amendment to, this Agreement shall be of any effect unless:

14.14.1 it is in writing signed by the Lender and Gazprombank;

14.14.2 a draft of any amendment agreement has been submitted to the CBR; and

14.14.3 approval from the CBR shall have been received in respect of the agreement referred to in sub-Clause 14.14.2.

14.15 Loan not secured

No collateral (as defined by the legislation of the Russian Federation) shall be provided to secure the Loan.

14.16 Partial Invalidity

The illegality, invalidity or unenforceability to any extent of any provision of this Agreement under the law of any jurisdiction shall affect its legality, validity or enforceability in such jurisdiction to such extent only and shall not affect its legality, validity or enforceability under the law of any other jurisdiction, nor the legality, validity or enforceability of any other provision.

14.17 Limited Recourse

Gazprombank hereby agrees that it shall have recourse in respect of any claim against the Lender only to sums in respect of principal, interest or other amounts (if any), as the case may be, received by or for the account of the Lender pursuant to this Agreement (after deduction or withholding of such taxes or duties as may be required to be made by the

Issuer by law in respect of such sum or in respect of the Notes and for which the Issuer has not received a corresponding payment (also after deduction or withholding of such taxes or duties as may be required to be made by the Issuer in respect thereof) pursuant to this Agreement) (the "Lender Assets"), subject always to (i) the Security Interests (as defined in the Trust Deed) and (ii) to the fact that any claims of the Dealers (as defined in the Subscription Agreement) shall rank in priority to claims of Gazprombank hereunder, and that any such claim by the Dealers or Gazprombank shall be reduced pro rata so that the total of all such claims does not exceed the aggregate value of the Lender Assets after meeting claims secured on them. The Trustee having realised the same, neither Gazprombank nor any person acting on its behalf shall be entitled to take any further steps against the Lender to recover any further sums and no debt shall be owed by the Lender to such person in respect of any such further sum. In particular, neither Gazprombank nor any other person acting on behalf of any of them shall be entitled at any time to institute against the Lender, or join with any other person in bringing, instituting or joining, insolvency proceedings (whether court based or otherwise) against the Lender.

14.18 Non Petition

None of the parties to this Agreement nor any other person acting on their behalf shall be entitled at any time to institute against the Lender, or join in any institution against the Lender of, any bankruptcy, administration, moratorium, reorganisation, controlled management, arrangement, insolvency, examinership, winding-up or liquidation proceedings or similar insolvency proceedings under any applicable bankruptcy or similar law in connection with any obligation of the Lender under this Agreement, save for lodging a claim in the liquidation of the Lender which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the Lender.

It is expressly agreed and understood that the entry into this Agreement constitutes a corporate obligation only of the Lender. No personal liability shall attach to or be incurred by any shareholder, member, equity holder, officer, agent, employee or director of the Lender in his capacity as such, under or by reason of any of the obligations, covenants or agreements of such party as a result of entry into this Agreement or implied therefrom and any and all personal liability of every such shareholder, member, equity holder, officer, agent, employee or director for breaches by the Lender of any such obligations, covenants or agreements, either at law or by statute or constitution, is hereby expressly waived by Gazprombank as a condition of and in consideration for the execution of this Agreement except to the extent that any such person acts in bad faith or is negligent in the context of its obligations.

14.19 CBR Prior Consent

- 14.19.1 Pursuant to the provisions of Clauses 5.2 and 5.3 of this Agreement, no prepayment of the principal and (or) interest under this Agreement (in whole or in part) shall be permitted without the prior written consent of the CBR;
- 14.19.2 Pursuant to the provisions of Clause 14.14 of this Agreement, no amendment, modification or waiver to this Agreement shall be permitted without the prior approval of the CBR; and
- 14.19.3 No early termination of this Agreement shall be permitted without the prior written consent of the CBR.

IN WITNESS WHEREOF, the parties hereto have caused this Subordinated Loan Agreement to be executed on the date first written above.

GAZPROMBANK (OPEN JOINT-STOCK COMPANY)

By:

By:

Chief Accountant

Signed by a duly authorised attorney of GPB EUROBOND FINANCE PLC

By: Eimir McGrath
Director