

APPROVED
BY THE RESOLUTION OF
THE GENERAL SHAREHOLDERS MEETING
OF JSC PIRAEUS BANK ICB
Minutes # 2/07 dated 09th of July 2015
Chairperson of the General Shareholders Meeting
_____/Sergiy Naumov/

BYLAW
on the SUPERVISORY BOARD
of PUBLIC JOINT STOCK COMPANY “PIRAEUS BANK ICB”
(new edition)

1. General Provisions

1.1. Given Regulation is acting in accordance with the existing legislation of Ukraine and the Charter of the Bank, it defines the powers, functions, order of election and activity of the Supervisory Board.

1.2. The purpose of the activity of the Supervisory Board is the representation of the interests and protection of the rights of the shareholders, provision of the effectiveness of their investments, protection the rights of depositors and other creditors of the Bank, promotion to the realization of the statutory goals and tasks of the Bank, to determine the modes and methods of the realization of strategy directed for the increase of profitability and the competitive ability of the Bank, to define the Bank's organizational chart, to perform internal control and regulate the activity of the Bank Management Board, define and approve actions in case of emergencies.

The Supervisory Board of the Bank incurs the responsibility for the activity and the financial condition of the Bank. The Supervisory Board is accountable before the Bank shareholders on its activity, the general condition of the Bank and the measures taken by it and directed for the achievement of the goals and tasks of the Bank. The Supervisory Board does not participate in the daily management of the Bank.

1.3. The Supervisory Board acts under the Charter of the Bank, given Regulation, the resolutions of the General Shareholders Meeting, agreement concluded with the member of the Supervisory Board and the law.

1.4. The Supervisory Board is the joint body and is composed of the Chairperson of the Supervisory Board and other Members of the Supervisory Board.

1.5. The Supervisory Board Members are elected out of individuals with full civil capacity: Bank's shareholders, their representatives and independent members.

1.6. The Supervisory Board Member must fulfill his duties in person and cannot delegate his authority to any third person.

1.5. The quantity of the members of the Bank Supervisory Board comprises at least five and does not exceed nine persons. The Chairperson of the Supervisory Board, other Members of the Supervisory Board are elected by the General Shareholders Meeting for the term of three years. The election of the members of the Supervisory Board occurs by the cumulative voting.

1.6. The Members of the Supervisory Board act under the agreement. The approval of the terms and conditions of such agreement and election of the person authorized to sign such agreement is performed by the General Shareholders Meeting.

1.7. The Supervisory Board members cannot be members of the Bank's Management Board, Audit Committee and hold other positions in the Bank on conditions of the labor contract.

1.8. If the quantity of the members of the Supervisory Board comprises less than half of its minimal established composition, then the Bank within three months has to convene the extraordinary General Shareholders Meeting to elect the whole composition of the Supervisory Board by the cumulative voting.

1.9. In case the term for which the Supervisory Board was elected is over and the General Meeting of the Bank did not take the resolution to elect or reelect the Supervisory Boards due to any reasons, then the powers of the Supervisory Board are prolonged up till the date of approval of the resolution on the election or reelection of the Supervisory Board by the General Meeting.

2. Authorities of the Supervisory Board

2.1. The Bank's Supervisory Board performs the functions as follows::

2.1.1. approval of the Bank's strategy according to the main activity directions,

defined by the General Shareholders Meeting;

2.1.2. approval of the Bank's budget, including the budget of internal audit unit, and the business-plan of development of the Bank;

2.1.3. definition and approval of the strategy and policy for risk management, procedures of their management, as well as the list of risks, their limits;

2.1.4. ensure the functioning of the Bank's internal control system and control over its efficiency within the powers granted by legislation, the Charter and internal documents of the Bank;

2.1.5. control over the efficiency of risk management system functioning;

2.1.6. approval of the recovery plan of the Bank;

2.1.7. determining capitalization and other sources of funding of the Bank;

2.1.8. determining the Bank's credit policy;

2.1.9. definition of the organizational structure of the bank, including internal audit unit;

2.1.10. approval of internal regulations regulating the activity of structural units of the Bank;

2.1.11. election and termination of powers of the Chairperson (Acting Chairperson), Deputy Chairpersons and Members of the Bank's Management Board, Chairperson and members of other Bank's bodies, appointment and termination of the powers of Head of Internal Audit Department;

2.1.12. removal from the performance of the powers of the Chairperson (Acting Chairperson), Deputy Chairpersons or the Members of the Bank Management Board and election of the person (persons), which will temporarily conduct its powers;

2.1.13. approval of the terms of the civil, labor contracts with the Chairperson (Acting Chairperson), Deputy Chairpersons and Members of the Management Board and employees of the internal audit unit, setting the amount of their remuneration, including incentive and compensative packages;

2.1.14. monitoring the activity of the Bank's Management Board, making proposals for its improvement;

2.1.15. determining the order of work and plans of internal audit unit and control over its activity;

2.1.16. determining the audit firm to conduct an external audit, approving terms of the contract concluded with it, setting the amount of payment for services;

2.1.17. consideration of the Bank's external audit conclusion and preparing recommendations to the General Meeting for the decision on it;

2.1.18. control over elimination of deficiencies detected by the National Bank of Ukraine and other state authorities, which within the competence supervise the Bank's activity, internal audit unit and the audit firm, following the results of external audit;

2.1.19. taking decision on the establishment of subsidiaries and participation in them, their reorganization and liquidation, creating, temporary termination (suspension) and liquidation of separate units of the Bank, approval of their statutes and regulations;

2.1.20. ensuring timely submission (publication) by the Bank of accurate information about its activities in accordance with the law;

2.1.21. arrangement annual and extraordinary General Meeting of Shareholders, preparation of the agenda of the General Meeting, deciding on the date of their arrangement and the inclusion of proposals on the agenda, determining the date of drawing up the list of shareholders to be informed about the General Meeting and have the right to participate in General meeting as prescribed by the current legislation, election of the Secretary of the General Meeting according to the procedure envisaged by this Charter;

2.1.22. notification about the General Meeting of Shareholders in accordance with the

laws

2.1.23. taking decision on placing the Bank securities other than shares for an amount that does not exceed 25 percent of assets of the Bank;

2.1.24. taking decision to repurchase securities placed by the Bank other than shares for an amount not exceeding 25 percent of assets of the Bank;

2.1.25. taking decision to sell shares previously repurchased by the Bank;

2.1.26. resolving issues of participation of the Bank in groups and associations;

2.1.27. taking decision on conducting of the considerable transaction, if the market cost of the property or services, which is its subject, makes from 10 to 25 percent of the cost of assets under the data provided in the last annual financial statements of the Bank;

2.1.28. provision application to the General Meeting on conducting of the considerable transaction, if the market cost of the property or services, which is its subject, makes more than 25 percent of the cost of assets under the data provided in the last annual statements of the Bank;

2.1.29. taking decision on election (replacement) of depository and / or clearing institution and approval of terms of agreement concluded with it, determination of amount of payment for services;

2.1.30. sending in cases provided by law proposals to shareholders about purchasing of their shares by a person (persons acting jointly) that acquired a controlling stake in accordance with the laws of Ukraine;

2.1.31. approval of Procedure for transactions with related parties of the Bank;

2.1.32. approval of the market cost of the property in cases provided by the Law of Ukraine "On Joint-Stock Companies";

2.1.33. electing of the registration commission when conducting the General Meeting of the Shareholders;

2.1.34. defining of the date for making the register of persons entitled to receive the dividends, the procedure and terms for their payment under the legislation of Ukraine;

2.1.35. solving of the matters in case of merging, joining, division, separation or transformation of the Bank under this Articles of Association;

2.1.36. definition of the probability for recognition of the insolvency by the Bank due to incurring of the obligations or their performance by it, including as a result of dividends payment or repurchase of the shares;

2.1.37. taking decision on the election of the Bank's property appraiser and approval of terms of contract to be signed with him, setting the amount of his remuneration;

2.1.38. taking decision on writing off bad debts on loans, securities and debtors (connected with credit and investment activities of the Bank);

2.1.39. taking decision on writing off bad debts not connected with credit and investment activities of the Bank;

2.1.40. implementation of other authorities under the Charter and applicable law.

Issues, prescribed by pp.11.2.1-11.2.38 belong to exclusive authority of the Supervisory Board.

Issues prescribed by pp.11.2.39-11.2.40 belong to non-exclusive authority of the Supervisory Board and can be delegated to the Management Board within the limits set by the relevant Supervisory Board decision.

2.1. The matters belonging to the exclusive competence of the Supervisory Board cannot be solved by the other Bank bodies, besides the General Meeting, excluding cases provided by the legislation of Ukraine.

2.2. The officials of the Bank bodies provide the members of the Bank Supervisory Board with the access to the information on the Bank activity.

2.3. The resolutions of the Supervisory Board are compulsory for the performance by the Bank Management Board, all the Bank employees in full and within the established

terms.

- 2.4. The Supervisory Board of the Bank takes measures to prevent conflicts of interest in the Bank and facilitates their settlement. Members of the Supervisory Board and the Management Board are obliged to refuse to participate in taking decisions if a conflict of interest does not allow them to fully perform their duties in the interests of the Bank, its depositors and participants.

3. Procedures and regulations of the Supervisory Board

3.1. Meeting of the Bank Supervisory Board are convened by its Chairperson at least once per three months or at the request of the member of the Supervisory Board, Audit Committee and the Management Board.

3.2. The members of the Bank Management Board and other persons may be present at the meeting at the request by the Supervisory Board. Chairperson of the Bank's Management Board has the right to participate in the Supervisory Board meetings with the right of advisory vote.

3.3. Organizing of the meetings of the Supervisory Board and keeping of the records is entrusted to the Corporate Secretary.

The agenda of the meeting of the Supervisory Board is formed under the proposals made by the members of the Supervisory Board, Bank Management Board. The final agenda and the accompanying materials are provided to all the members of the Supervisory Board at least in three working days before the day of the meeting conducting.

3.4. The meeting of the Bank Supervisory Board is considered competent if the members of the Bank Supervisory Board were present at it amounting to the half of members plus one person. The members of the Supervisory Board may participate into the meeting by the telephone or e-mail connection.

In the event of early termination of powers of one or more members of the Supervisory Board and until the election of the entire Board, the meeting of the Supervisory Board is valid to resolve issues under its competence, provided that the number of Supervisory Board members whose authority is valid, is more than half of its composition.

In case the Head of the Supervisory Board cannot perform his powers, his powers are performed by one of the Members of the Supervisory Board under its decision.

In case the votes at voting were divided equally, and then the resolution voted for by the Chairperson of the Supervisory Board is considered taken.

The resolution of the Bank Supervisory Board on the election and recall of the Chairperson (Acting Chairperson) of the Bank Management Board is taken by the 3/4 of the votes of all the elected members of the Supervisory Board, the resolutions on the other matters are taken by the simple majority of the present members at the meeting of the Bank Supervisory Board. Each member of the Bank Supervisory Board has one vote.

3.5. The resolutions of the Bank Supervisory Board are recorded in minutes of the meeting (Annex 1 to this Bylaw) which is formed within five days after the meeting. The minutes of the meetings of the Bank Supervisory Boards are signed by the Chairperson of the Bank Supervisory Board and the secretary of the meeting and are kept by the secretary of the meeting.

Annex 1 to Bylaw on Supervisory Board of JSC PIRAEUS BANK ICB

MINUTES # ____/____-SB

MEETING OF THE SUPERVISORY BOARD

Of JSC PIRAEUS BANK ICB

Kyiv

Present:

« ____ » _____

Members of the Supervisory Board:

Chairperson of the Supervisory Board

Member of the Supervisory Board

Member of the Supervisory Board

Member of the Supervisory Board

Member of the Supervisory Board

Corporate Secretary

Agenda:

1.

On the 1 matter:

The following persons were listened to

Voted: "for" unanimously.

Resolution:

1.

2. **control the performance of resolutions to entrust to _____ . Report on the performance of the resolution is to be provided within the term in _____**

Chairperson of the Supervisory Board

Corporate Secretary
