

Amendments and supplements to the Charter are registered with the Ministry of Justice on 14 February 2007 (registration certificate #3898-1900-AO dated 12 November 2003)

Agreed with the Agency of the Republic of Kazakhstan for Regulation and Supervision of the Financial Market and Financial Organisations
Chairman (Deputy Chairman)

26 January 2007

Translation from Russian

CHARTER
OF JOINT STOCK COMPANY
HALYK SAVINGS BANK OF KAZAKHSTAN

Approved by the resolution of
the General Shareholders' Meeting
(Minutes № 22 dated 20 December 2006)

Almaty, 2006

This Charter specifies the legal status, organisation, functioning, reorganisation and liquidation of Joint-Stock Company "Halyk Savings Bank of Kazakhstan", further referred to as the "Bank", together with the rights, responsibilities and protection of rights and interests of shareholders and third persons and the authorities and responsibilities of the Bank's bodies and authorised persons.

This Charter has been prepared and approved in a new version in consistency with the Constitution of the Republic of Kazakhstan, Law of the Republic of Kazakhstan No. 2444 "On Banks and Banking Activities in the Republic of Kazakhstan" dated August 31, 1995 (referred to hereinafter as the "Law on Banks"), Law of the Republic of Kazakhstan No. 415 "On Joint-Stock Companies" dated May 13, 2003, (referred to hereinafter as the "Law", and other normative legislative acts of the Republic of Kazakhstan.

Chapter I. General provisions

Article 1. Bank's name

1. The Bank's full name is:

a) in Kazakh: "Қазақстан Халық Жинақ Банкі" акционерлік қоғамы.

b) in Russian: акционерное общество «Народный сберегательный банк Казахстана».

c) in English: Joint Stock Company "Halyk Savings Bank of Kazakhstan".

2. The Bank's short name is:

a) in Kazakh: "Қазақстан Халық Банкі" АҚ.

b) in Russian: АО «Народный Банк Казахстана».

c) in English: JSC "Halyk Bank".

Article 2. Legal status of the Bank

1. The Bank acts as a legal entity in accordance with the law of the Republic of Kazakhstan, has separate properties by right of property ownership and complies with its obligations with this properties, has the right to acquire and execute proprietary and private non-proprietary rights and obligations on its own behalf, act as a plaintiff and a defendant in a court.

The Bank is registered as a legal entity with the justice bodies of the Republic of Kazakhstan and by the banking operations licence issued by the authorised state bodies (the "Authorized Body").

2. The Bank's property form is private

3. The Bank has the right to own shares in charter capital of other legal entities within and outside the territory of the Republic of Kazakhstan in accordance with the law of the Republic of Kazakhstan.

4. In its operations the Bank complies with the Constitution of the Republic of Kazakhstan, the law of the Republic of Kazakhstan, this Charter and other internal guidelines of the Bank.

5. Based on resolution of the General Shareholders' Meeting (Minutes No. 13 dated September 24, 2003) name of the Bank was changed from open joint stock company "Halyk Savings Bank of Kazakhstan" (the date of initial registration - 20.01.94, registration number - 3898-1900- AO) to joint stock company "Halyk Savings Bank of Kazakhstan" to comply with requirements of the law of the Republic of Kazakhstan.

Article 3. Responsibilities of the Bank and its shareholders

1. The Bank is responsible for all its obligations to the extent of its property.
2. The Bank is not responsible for its shareholders' obligations.
3. The shareholders are not responsible for the Bank's obligations and are liable for losses as a result of the Bank's operations only to the extent of their shareholdings except otherwise provided by legislative acts.
4. Neither the Bank nor the State is responsible for the other's unless stipulated otherwise by the provisions of the Law and where the Bank or the State have expressly assumed such obligations.

Article 4. Branches and representative offices of the Bank

1. Acting by resolution of its Board of Directors (the "Board of Directors"), the Bank has a right to establish branches and representative offices within the territory of the Republic of Kazakhstan and outside the country. The Bank's branches and representative offices are not legal entities and act on behalf of the Bank on the basis of special Regulations approved by the Board of Directors .
2. The Bank is entitled to have branch premises located at several different addresses within one region (city of republican status, the capital city).
3. Heads of branches and representative offices act on the basis of a power of attorney issued by the Bank.
4. The branches and representative offices of the Bank are established and liquidated consistently to the law of the Republic of Kazakhstan and of the jurisdictions where such offices are domiciled.

Article 5. Subsidiary companies

1. The Bank has a right to establish subsidiary companies within the territory of the Republic of Kazakhstan and outside the country subject to the approval of the Authorised Body.
2. Subsidiary companies are established and liquidated in accordance with the law of the Republic of Kazakhstan and of the jurisdictions where the subsidiaries are domiciled.

Article 6. Corporate identification tools and requisites of the Bank

1. The Bank has a corporate seal, branch seals and various representative office seals for different purposes, stamps, letterheads, emblems and other requisites, necessary for its corporate identification for use in its operations.
2. The Bank's requisites are legalised in one or more of the operational languages of the Bank: Kazakh, Russian and English.

Article 7. Term of the Bank's operations

The operating of the Bank is unlimited.

Article 7. Location of the Management Board of the Bank

The Republic of Kazakhstan, 050046, Almaty, 97 Rozybakiev Street.

Chapter II. The Bank's operations

Article 9. Types of operations

1. The Bank's objective is to make profit.

2. The Bank conducts banking operations subject to a licence issued by the Authorised Body as required by the legislation of the Republic of Kazakhstan.

The Bank conducts banking operations in both domestic and foreign currencies subject to the relevant license in relation to foreign currency banking operations issued by the Authorised Body.

3. The Bank has a right to undertake professional operations in the securities market subject to the regulations stipulated by the legislation of the Republic of Kazakhstan.

4. The Authorised Body issues licences in accordance with the legislation of the Republic of Kazakhstan for one or more compatible professional operations on the securities market.

5. The Bank has the right to conduct other types of operations not prohibited by the legislation of the Republic of Kazakhstan.

Should any particular operations require special permission (license, certificate) from any authorised body the Bank may only implement such operations after receiving the relevant permission (license, certificate) and complying with it in full .

Chapter III. The Bank's property and capital

Article 10. The Bank's property

1. The Bank can own property .

2. The Bank's property consists of:

(a) considerations received for issued shares at their placement date;

(b) operating revenues;

(c) any other property acquired in accordance with the legislation of the Republic of Kazakhstan.

Article 11. Charter capital and shareholders' equity

1. The charter capital is required to enable the Bank's sustainable operations and is represented by considerations received from the placement of its shares.

2. The charter capital of the Bank may be increased by placement of authorised shares of the Bank.

3. The Authorised Body determines calculation methodology of the shareholders' equity, the value of the Bank's assets, loan loss and other reserves (allowances).

Article 12. Reserve capital of the Bank

1. To cover the any performance losses, the Bank maintains a capital reserve in an amount not less than the minimum required by the Authorised Body.

2. The reserve capital is made up of net income before dividends on common shares. The amount of the reserve capital and annual contributions are approved by the annual General Shareholders' Meeting of the Bank.

Article 13. Distribution of net income

Pursuant to the resolution of the annual General Shareholders' Meeting of he

Bank's net income (generated after tax payments and other obligatory budget payments) is use to maintain capital reserves, distribute dividends to shareholders in accordance with the priority rights of preferred shareholders, and may also be used to support the Bank's development or for other purposes as approved by the resolution of the General Shareholders' Meeting of the Bank.

Article 14. Shares of the Bank

1. A share is a security issued by the Bank which certifies the following shareholders' rights depending on its type and category:

- 1) to participate in the management of the Bank as provided by the legislation of the Republic of Kazakhstan and this Charter;
- 2) to receive dividends;
- 3) on Bank's property on a pro-rata basis after its liquidation;
- 4) other rights stipulated by the Law and other legislative acts of the Republic of Kazakhstan.

2. The Bank issues common registered shares and preferred registered shares in accordance with the procedures stipulated by the legislation of the Republic of Kazakhstan.

3. The Bank issues its own shares in non-documentary form. The shareholders' register is kept by a registrar in accordance with the legislation of the Republic of Kazakhstan.

4. A share is indivisible. In cases where one and the same share is owned by a number of entities as common property then all of the entities are treated as one shareholder in relation to the Bank and exercise the rights certified by the share through their common representative.

5. A common registered share gives its shareholder the right to participate in a General Shareholders' Meeting with voting rights when approving any resolutions submitted to voting at the General Shareholders' Meeting, the right to receive dividends subject to positive net income, and also the right to receive any part of the property of the Bank remaining following its liquidation as prescribed by the legislation of the Republic of Kazakhstan.

6. The Bank issues preferred registered shares with a guaranteed dividend determined in accordance with clause 4 of article 23 of this Charter.

The holder of a preferred registered share has a priority right over the holder of a common registered share to receive dividends at a pre-fixed guaranteed rate, established in accordance with the clause 4 of article 23 of this Charter, and a right to receive part of the property remaining after liquidation of the Bank in accordance with the procedures established by the Law.

7. The holder of a preferred registered share of the Bank has the right to participate in the management of the Bank, if:

- 1) a General Shareholders' Meeting of the Bank is considering passing a resolution that may restrict the rights of holders of preferred shares. Such resolutions may be passed by the votes of at least two thirds of the total issued (minus redeemed) preference shares;
- 2) dividends on preferred shares have not been paid in full within three months of the due date;
- 3) the General Shareholders' Meeting of the Bank is considering reorganisation or liquidation of the Bank.

Article 15. Other securities of the Bank

1. In order to raise funds the Bank has the right to issue bonds and derivative instruments in accordance with the legislation of the Republic of Kazakhstan regulating the securities market.

2. The terms and conditions of bond issues, interest payments, repayments and utilisation of proceeds are approved by the Board of Directors and determined by a offering prospectus in accordance with the legislation of the Republic of Kazakhstan.

3. The conditions and procedure for derivative instrument issues are determined by the Board of Directors, appropriate issue prospectus in accordance with the legislation of the Republic of Kazakhstan.

Article 16. Terms of placement and repurchase of securities of the Bank

1. Shares of the Bank are placed in accordance with the legislation of the Republic of Kazakhstan and the Bank's internal guidelines.

2. A person who has not paid the Bank in full for its shares is not recognised as a shareholder of the Bank.

3. Shares that are not fully paid-up and shares repurchased by the Bank have no voting rights and are not entitled to dividends.

4. The repurchase of shares by the Bank is regulated by the legislation of the Republic of Kazakhstan and the internal guidelines of the Bank.

5. The Bank has a right to repurchase shares (with the consent of the shareholder) for further resale or other purposes which are not contradictory to the legislation of the Republic of Kazakhstan and this Charter and subject to any restrictions established by the legislation of the Republic of Kazakhstan. During the repurchase period any distribution of net income, voting or quorum determination at the General Shareholders' Meeting is conducted without reference to the shares being repurchased by the Bank.

6. The repurchase of placed shares at the Bank's initiative is conducted by virtue of resolution of the Board of Directors, unless otherwise directed by the Law.

If the number of shares repurchased at the Bank's initiative exceeds one percent of its total share capital prior to the execution of the share sale and purchase agreement(s), the Bank is required to disclose such repurchase to its shareholders by publishing an announcement including the information on the type and amount of the repurchased shares, and the price, tenor and repurchase conditions.

Chapter IV.

Shareholders of the Bank.

Rights and responsibilities of the Bank's shareholders

Article 17. Shareholders of the Bank

1. Shareholders of the Bank are legal entities and individuals.

2. The number and composition of the shareholders of the Bank are not limited unless otherwise provided by the legislation of the Republic of Kazakhstan.

Article 18. Rights of the Bank's shareholders

1. Holders of the Bank's common shares have the right:

1) to participate in the management of the Bank as prescribed by the Law and

this Charter;

- 2) to receive dividends;
- 3) to obtain information on the Bank's operations as well as to receive the financial statements of the Bank as prescribed by the General Shareholders' Meeting or this Charter;
- 4) to obtain extracts confirming their ownership of securities of the Bank from the registrar or nominal holder;
- 5) to pledge or sell their own shares in accordance with the legislation of the Republic of Kazakhstan and this Charter;
- 6) to nominate candidates for the Board of Directors to General Shareholders' Meeting;
- 7) to contest resolutions made by the Bank in a court of law;
- 8) to appeal to the Bank by way of written requests on its operations, and to obtain reasonable answers within thirty days from the date of receipt by the Bank of the request;
- 9) to a part of the property of the Bank remaining after its liquidation;
- 10) to purchase shares or other Bank securities converted into shares with priority over the prospective purchasers as prescribed by the Law.
- 11) to appeal to the state institutions to protect their rights and legal interests in the event of the Bank violating the norms of the laws of the Republic of Kazakhstan or the provisions of this Charter.

2. Holders of preferred registered shares have the right:

- 1) of privilege over the holders of common registered shares to receive dividends at a pre-fixed guaranteed rate established in accordance with this Charter;
- 2) to be entitled to a part of the property of the Bank remaining after its liquidation as prescribed by the Law;
- 3) to participate in the management of the Bank as set out in clause 7 of article 14 of this Charter;
- 4) to receive information about the Bank's operations, including the Bank's financial reports, as prescribed by the General Shareholders' Meeting or this Charter;
- 5) to receive extracts from a registrar or nominal holder confirming their right of ownership of the Bank's securities;
- 6) to pledge and sell their shares in accordance with the legislation of the Republic of Kazakhstan and this Charter;
- 7) to apply to the Bank by way of written requests on its operations, and to receive reasonable answers within thirty days from the date of receipt by the Bank of the request;
- 8) preemption right to buy preferred shares in the procedure determined by the Law;
- 9) to appeal to the state institutions to protect their rights and legal interests in the event of the Bank violating the norms of the legislation of the Republic of Kazakhstan or the provisions of this Charter.

3. A large shareholder of the Bank (a shareholder or a group of shareholders, acting by virtue of joint agreement, holding 10 per cent or more percent of the Bank's voting shares) also has the right:

- 1) to convene an extraordinary General Shareholder' Meetings of the Bank or to appeal to a court of law with a claim seeking such convocation in case the Bank's Board of Directors refuses to convene such General Shareholders' Meeting;

- 2) to propose to the Board of Directors that additional questions be included on the agenda of the General Shareholders' Meeting in accordance with the Law;
 - 3) request to convene a meeting of the Board of Directors;
 - 4) to require an audit of the Bank by an audit organisation at its own expense.
3. Shareholders may have other rights as provided by the Law or by this Charter.

Article 19. Duties of shareholders of the Bank

1. Shareholders of the Bank are obliged to:
 - 1) pay for their shares as prescribed by this Charter or by the Law;
 - 2) notify the Bank about their interests in any transaction undertaken by the Bank as prescribed by the legislation of the Republic of Kazakhstan;
 - 3) inform a registrar and nominal holder of shares about relevant changes in information required for maintenance of the registers system of the Bank's shares within ten days;
 - 4) keep confidential any information about the Bank or its operations that constitutes official, commercial or other confidential information protected by law;
 - 5) fulfil other duties in accordance with the legislative acts of the Republic of Kazakhstan.
2. Shareholders who are the Bank's affiliates in accordance with the legislation of the Republic of Kazakhstan are obliged to:
 - 1) provide the Bank with information on their affiliation within seven days of the date of affiliation;
 - 2) provide constitutive documents and other information necessary for determining the major participants in the Bank upon a relevant request of the Authorised Body.

Article 20. Shares' disposal right. Transactions involving shares of the Bank

1. Shareholders have the right to dispose of their shares without the consent of other shareholders in accordance with the legislation of the Republic of Kazakhstan.
2. Where a shareholder wishes to sell its shares, the Bank has the right to buy them on its own behalf or on behalf of a third party at a price exceeding the price proposed by the selling shareholder. If third parties wish to buy shares their proposal should include information on the number of shares to be bought, the price and information on the buyers.
3. A person who, independently or jointly with its affiliates, intends to buy thirty or more percent of the voting shares of the Bank on a secondary market, is obliged to notify the Bank and the Authorised Body at such purchase in accordance with the established procedure.

Article 21. Convertible securities

1. The Bank has a right to issue convertible securities.
2. The Bank may issue securities convertible into shares up to the extent of the difference between the authorized authorised and issued shares of the Bank.
3. the terms and conditions for a securities conversion are determined by the prospectus of the convertible securities.

Article 22. Pledge of shares and other securities of the Bank

1. Shareholders of the Bank have the right to pledge the Bank's securities.

2. A shareholder of the Bank has a voting right and a right to receive dividends on shares pledged unless otherwise provided by the pledge conditions.

3. The Bank can take a pledge of its issued securities only if:

- 1) the pledged securities are paid-up in full;
- 2) the aggregate number of securities being pledged in favour of the Bank and securities already pledged in favour of the Bank does not exceed 25 per cent of the Bank's issued shares, excluding the shares that were bought by the Bank;
- 3) the pledge agreement is approved by the Board of Directors.

Article 23. Dividends on shares

1. Dividends on common shares of the Bank may be paid annually (unless otherwise stipulated in the prospectus) from the net income in accordance with the legislation of the Republic of Kazakhstan, this Charter and the prospectus.

2. The schedule of dividend payments on common shares shall be determined by their prospectus.

3. The annual General Shareholders' Meeting determines the amount of final dividend per common registered share upon the proposal of the Bank's Board of Directors. The dividend amount can be reduced by the decision of the General Shareholders' Meeting, but cannot exceed the amount recommended by the Bank's Board of Directors.

4. The guaranteed dividend amount per preferred share and per convertible preferred share is 0.01 KZT.

Where net income for the financial year in which dividends are paid, is equal to or less than zero, then the guaranteed dividend amount shall be paid, unless otherwise provided by resolution of the Board of Directors of the Bank.

Where net income for the financial year for which dividends are paid is equal to:

$$0 < \text{Net Income} < N \times 160 \times (i+1\%),$$

where N = the number of issued preferred shares;

i,%= inflation calculated as an increase/decrease to the Consumer Price Index (the value of the Index in percentage terms net of 100 per cent) published by the Agency of Statistics of the Republic of Kazakhstan for December of the financial year for which dividends are paid in relation to the same month of a previous year;

1% = fixed margin;

the amount of dividend on one Bank's preferred share is calculated as follows:

$$\text{Net income}/N.$$

Where net income for the financial year for which dividends are paid is equal to:

$$\text{Net Income} > N \times 160 \times (i+1\%),$$

the amount of dividend on one Bank's preferred share is calculated as follows:

$$160 \times (i+1\%).$$

During calculation of dividends for preferred shares the lowest level of inflation shall be 3 per cent (the "floor") and the highest level of inflation shall be 9 per cent (the "cap").

5. Dividends on preferred shares shall be paid once a year in accordance with the issue prospectus.

6. The Bank shall notify the holders of preferred shares about dividend payments in the manner and on terms determined by the Law.

7. The list of shareholders with a right to receive dividends is determined on the date prior to the date of dividend payment in accordance with the legislation of the

Republic of Kazakhstan.

8. The Bank has a right to distribute part of the net income, after tax payments and other compulsory budgetary payments among employees of the Bank including remuneration in money or shares.

Dividends on common shares are not paid until dividends on preferred shares have been paid in full.

9. Dividends on Bank's common and preferred shares are not paid where prohibited by the Law.

Chapter V. The Bank's authorities

Article 24. The Bank's authorities

1. The Bank's authorities are:

- 1) overall authority: General Shareholders' Meeting;
- 2) management authority: Board of Directors;
- 3) executive authority: the Management Board headed by its Chairman titled as the Chairman of the Management Board (referred hereinafter as "Chairman of the Management Board");
- 4) the Internal Audit;

2. The Bank may create other authorities and committees in accordance with the legislation of the Republic of Kazakhstan, including but not limited to a credit committee (credit committees), which effects the internal credit policy of the Bank.

Article 25. The General Shareholders' Meeting

1. The General Shareholders' Meeting is the overall authority of the Bank. All shareholders' meetings except for the Annual meeting are called Extraordinary meetings.

2. The Annual General Shareholders' Meeting is held not later than five months after completion of the financial year. The meeting may be postponed by up to three months should the annual audit report fail to be issued on time.

3. The annual General Shareholders' Meeting approves the Bank's annual financial statements, the procedure of the Bank's net income allocation over the financial year-to-date, the dividend amount per one Bank's common share and per one Bank's preferred share, in case the fixed dividend amount per preferred share exceeds guaranteed dividend amount that determined by the Bank's Charter and also other issues in accordance with the agenda of the General Shareholders' Meeting.

Article 26. Authority of the General Shareholders' Meeting

1. The following issues are within the exclusive authority of the General Shareholders' Meeting:

- 1) the introduction of amendments and supplements to or the approval of new versions of the Charter;
- 2) the approval of Corporate Governance Code of the Bank and the introduction of amendments and supplements thereto;
- 3) the voluntary reorganisation or liquidation of the Bank;
- 4) decision-making upon any increase in the amount of the authorized shares of the Bank or any change in the type of non issued authorized shares of the Bank;
- 5) any decision of the number and terms of office of the Counting Commission,

election of its members or early termination of their powers;

6) determination of the quantity and the expire dates of the powers of the Board of Directors, the election of members of the Board of Directors and early termination of their powers as well as the determination of the amount and payment terms of remuneration to members of the Board of Directors;

7) the appointment of an audit company to undertake an audit of the Bank;

8) the approval of the annual financial statements;

9) approval of the procedure for distribution of the Bank's net income for the reporting fiscal year, decision-making on dividend payment on common shares and approval of the of size of dividends amount based on the results of the year per one Bank's common share;

10) a resolution not to pay dividends per common and preferred shares of the Bank where prohibited by the Law;

11) any decision concerning the Bank's investment in establishing or running the operations of other legal entities involving the transfer of part or several parts of the Bank's assets equal to or exceeding twenty five per cent of the Bank's total assets;

12) determination of the form of the Bank's notification to the shareholders on the convocation of the General Shareholders' Meeting or a resolution to publish such information in the mass media;

13) the approval of the share price calculation method where the Bank repurchases shares in accordance with the Law;

14) any approval of the agenda of the General Shareholders' Meeting;

15) any approval of incentive programmes for the Bank's employees, members of the Management Board or the Board of Directors, including employee share ownership plans or other share-based incentive plans and any amendments and supplements thereto.

16) other issues falling under the exclusive authority of the General Shareholders' Meeting as prescribed by the legislation of the Republic of Kazakhstan or this Charter; and

2. Resolutions of the General Shareholders' Meeting on issues indicated in sub-clauses 1)-4) of clause 1 of this article should be approved by a qualified majority of holders of the total voting shares of the Bank.

Resolutions of the General Shareholders' Meeting on other issues should be approved by a simple majority of holders of the total voting shares of the Bank, unless otherwise stipulated by the Law or this Charter.

3. Issues which fall within the exclusive authority of the General Shareholders' Meeting cannot be transferred to other authorities, officials or employees of the Bank, unless otherwise provided by the legislative acts of the Republic of Kazakhstan.

4. The General Shareholders' Meeting has the right to cancel any resolution of other authorities of the Bank related to the Bank's internal operations.

Article 27. The procedure for convocation and preparation of the General Shareholders' Meeting

1. The Annual General Shareholders' Meeting is convened by the Board of Directors of the Bank. An Extraordinary General Shareholders' Meeting is convened upon the initiative of the Board of Directors of the Bank and (or) upon the initiative

of the principal shareholder and also in other cases as determined by the legislative acts of the Republic of Kazakhstan.

2. Shareholders should be informed of the holding of the General Shareholders' Meeting of the Bank via information published in the mass media – ("Egemen Kazakhstan", "Kazakhstanskaya Pravda") in accordance with the legislation of the Republic of Kazakhstan.

The Bank has a right and, in specific cases provided by law or by the Bank's concluded agreements, is obliged, to inform additionally shareholders about the holding of the General Shareholders' Meeting by other means complying with the listing requirements of any stock exchange on which securities of the Bank are listed in accordance with the resolutions of the Bank, including by means of other mass media communication, by sending information to shareholders by mail, through the Internet and by publishing a notice on the corporate website, by placing messages in branches and outlets of the Bank, or by notifying the stock exchange.

3. The Management Board and (or) the Board of Directors of the Bank are responsible for the preparation and holding of the General Shareholders' Meeting.

4. Particular details of the convocation and holding of Extraordinary General Shareholders' Meeting upon the initiative of the principal shareholder are pre-determined by the Law.

5. The agenda of the General Shareholders' Meeting (to be prepared by the Board of Directors) shall clearly reflect the specific question wording submitted for discussion. The agenda is approved at the General Shareholders' Meeting by a majority of the holders total voting shares of the Bank attending the General Shareholders' Meeting.

The agenda of the General Shareholders' Meeting can be changed and (or) supplemented as prescribed by the Law.

6. Documents supporting the issues on the agenda should be submitted to shareholders not later than ten days prior to the date of the General Shareholders' Meeting and should contain the information and include any documents required by the legislation of the Republic of Kazakhstan.

Article 28. Procedure for holding the General Shareholders' Meeting

1. Only shareholders, listed as such in the shareholders' register of the Bank, presented by the Bank's registrar, which list prepared on the date of the Bank's shareholders register formation in accordance with the legislation of the Republic of Kazakhstan, may attend and vote at the General Shareholders' Meeting of the Bank.

2. Each shareholder of the Bank has the right to vote based on a principle of "one share - one vote" unless the Law determines otherwise.

3. Each shareholder has the right to attend the General Shareholders' Meeting personally or via a representative holding a notarised power of attorney. Representatives of legal entities attend the General Shareholders' Meeting by virtue of power of attorney issued to them. A person who has a right to act on behalf of a shareholder or to represent its interests without a power of attorney in accordance with the legislation or agreement is not required to have a power of attorney to attend the General Shareholders' Meeting.

4. Holders of the Bank's preferred shares have a right to attend the General Shareholders' Meeting conducted in presentia and take part in discussions of questions being considered.

Resolutions of the General Shareholders' Meeting restricting the rights of holders of preferred shares are approved only if at least two thirds of the total issued (less repurchased) preferred shares have voted for such restriction.

5. Officials of the Bank have no right to act as representatives of shareholders at the General Shareholders' Meeting.

6. Invited persons, officials and other employees of the Bank taking part in the preparation and holding of the General Shareholders' Meeting may attend and speak at that General Shareholders' Meeting.

7. Voting upon the pledged shares is conducted in accordance with the provisions of the pledge agreement.

8. The Counting Commission or the person authorised to count votes at the General Shareholders' Meeting will draw up and sign the minutes of the voting results. Voting bulletins are then sealed and delivered to the archives of the Bank for safekeeping.

9. The General Shareholders' Meeting is entitled to consider and approve resolutions on issues on the agenda subject to fifty per cent or more of the voting shares of the Bank having been registered by the end of the registration of the shareholders attending the meeting, including shareholders or their representatives included in the register of shareholders and persons who bought voting shares from shareholders included in the register of shareholders and entitled to attend the meeting.

New shareholders must present documents confirming their title to shares of the Bank.

10. Re-holding the General Shareholders' Meeting that has been convened instead of the initially failed meeting, is legally qualified, in the case the procedure of the General Shareholders' Meeting convocation was kept that failed due to the absence of quorum, and at the moment by the end of registration for participation in it have been registered shareholders (their representatives), possessing in total by forty per cent or more of the Bank's voting shares.

11. The General Shareholders' Meeting may approve a resolution by open or secret vote.

12. The General Shareholders' Meeting elects the chairperson, and secretary of the General Shareholders' Meeting, the representatives of shareholders who testify to the accuracy of the drawing-up of the Minutes, and the members of the Counting Commission or person authorised to take the poll at the General Shareholders' Meeting of the Bank.

13. Members of the Management Board of the Bank cannot chair the General Shareholders' Meeting of the Bank.

14. The Secretary is responsible for the completeness and accuracy of the information reflected in the Minutes of the General Shareholders' Meeting.

15. A shareholder who has disagreed with the resolution of the General Shareholders' Meeting, has a right to demand, and the Secretary shall be obliged thereupon to record, his specific opinion of that shareholder in the Minutes.

16. The Minutes of the General Shareholders' Meeting should be officially registered within three business following the closing of the General Shareholders' Meeting and should include:

1) the full name of the Bank and the address of the Management Board of the Bank;

- 2) the date, venue and time of holding of the General Shareholders' Meeting;
 - 3) information about the number of voting shares of the Bank represented at the General Shareholders' Meeting;
 - 4) the quorum of the General Shareholders' Meeting;
 - 5) the agenda of the General Shareholders' Meeting;
 - 6) the voting procedure of the General Shareholders' Meeting;
 - 7) the indication of the Chairperson and Secretary of the General Shareholders' Meeting;
 - 8) the total number of votes of shareholders on each item of the agenda at the General Shareholders' Meeting;
 - 9) any speeches made at the General Shareholders' Meeting;
 - 10) the issues submitted for voting and the results of voting;
 - 11) the resolutions made by the General Shareholders' Meeting.
17. The Minutes of the General Shareholders' Meeting is signed by the Chairperson, the Secretary and each of the attending shareholders holding ten per cent and more of the voting shares and members of the Counting Commission.

Article 29. Decision-making by the General Shareholders' Meeting by means of postal voting

1. Resolutions of the General Shareholders' Meeting of the Bank can be passed by postal vote. Postal votes may be conducted together with physical voting of shareholders of the Bank present at the General Shareholders' Meeting (mixed voting) or without holding of the General Shareholders' Meeting of the Bank.

2. In the case of postal voting, without holding the General Shareholders' Meeting, the Bank shall publish in the mass media the voting ballot for the General Shareholders' Meeting together with a notification (announcement) about holding the General Shareholders' Meeting not later than 45 days prior to the date of holding the General Shareholders' Meeting as set up in article 27 of this Charter.

3. Common format bulletins should be used for postal voting.

Voting ballots should indicate:

- 1) the full name of the Bank and the address of the Management Board of the Bank;
- 2) information on the person initiating the convening of the General Shareholders' Meeting;
- 3) the closing date for submitting postal voting ballots;
- 4) the date of the General Shareholders' Meeting holding for convened meetings or the date of calculating postal votes when the General Shareholders' Meeting of the Bank is not convened;
- 5) the agenda of the General Shareholders' Meeting;
- 6) the names of candidates submitted to election, if the agenda of the General Shareholders' Meeting include the election of the members to the Board of Directors;
- 7) the wording of the issues to be put for vote;
- 8) voting alternatives for each issue of the agenda of the General Shareholders' Meeting submitted for voting, expressed by the words "for", "against", and "abstained from voting"; and
- 9) an explanation of the procedure voting (i.e. how to fill out the voting bulletin) for each issue on the agenda.

4. A ballot paper shall be considered invalid if: (i) in the case of an individual

shareholder, his signature is missing; or (ii) in the case of legal entities, the signature of the chief executive officer or his deputy or the corporate seal is missing.

5. Only ballot papers received by the Bank before the end of the registration of shareholders attending the General meeting or, where the General Shareholders' Meeting of the Bank is not convened up to the date of counting of ballot papers, shall be admitted for voting.

6. Resolutions taken by postal vote are valid only where the quorum requirements for holding the General Shareholders' Meeting are complied with.

7. The results of postal votes shall be published in the mass media as determined by this Charter and in accordance with the legislation of the Republic of Kazakhstan.

Article 30. The Board of Directors of the Bank

1. The Board of Directors of the Bank is the managing authority of the Bank, responsible for the general management of the Bank's operations.

2. The members of the Board of Directors of the Bank are elected by the General Shareholders' Meeting by cumulative vote. A shareholder has a right to give the votes attached to its shares fully to one candidate or to split them between several candidates to the members of the Board of Directors of the Bank. Candidates that receive the largest number of votes become elected to the Board of Directors of the Bank.

Should two or more candidates to the members of the Board of Directors of the Bank receive an equal number of votes, additional voting shall be held in respect of such candidates.

3. The term of the Directors' appointments is determined by the General Shareholders' Meeting. The term of the Directors' appointments expires as from the date of the holding of the General Shareholders' Meeting which elects the new members of the Board of Directors of the Bank in accordance with the present Charter and the Law.

4. The authority of any member (all members) of the Board of Directors of the Bank may be prematurely terminated by a resolution of the General Shareholders' Meeting. In the case of early termination of authorities of the member of the Board of Directors, a new member of the Board of Directors will be elected by the cumulative vote by the shareholders present at the General Shareholders' Meeting. The authority of the newly-elected Director expires simultaneously with the expiration of the authorities of the other Directors of the Bank.

5. An early termination of any Director's authority on his own initiative shall be made by written notification to the Board of Directors. Such Director's authority shall be terminated on receipt of the notification by the Board of Directors. In the case of termination of the authorities of one or more members of the Board of Directors, decision on the agenda issues of the Board of Directors meeting should be decided subject to the quorum required by clause 16 of this article and if the simple majority of the total votes of the remaining the members of the Board of Directors having voted for such resolution.

If the total number of the members of the Board of Directors is insufficient to constitute a quorum as provided in clause 16 of this article, the remaining members of the Board of Directors have a right to pass a resolution only for the purpose of convocation of an Extraordinary General Shareholders' Meeting for election of new members of the Board of Directors.

6. Only an individual can be elected as a member to the Board of Directors. A member of the Board of Directors may be elected from individual shareholders and (or) persons suggested for election to the Board of Directors as the representatives of the shareholders' interests.

A member of the Board of Directors may also be an individual who is not a shareholder of the Bank and is not suggested (not recommended) for election to the Board of Directors as the representative of the shareholder's interests. The number of such persons cannot exceed fifty per cent of all members of the Board of Directors.

7. The cost of the Board of Directors of the Bank cannot exceed the cost of the Management Board of the Bank as provided for in the budget of the Bank for the relevant period.

8. At least one third of the members of the Board of Directors of the Bank should be independent directors as this term is defined by the Law.

9. Members of Board of Directors of the Bank are appointed or elected subject to the consent of the Authorised Body. The Authorised Body determines whether a member of the Board of Directors meets the requirements of the legislation of the Republic of Kazakhstan and this Charter.

10. Members of the Management Board other than the Chairperson of the Management Board cannot be elected to the Board of Directors of the Bank.

The Chairperson of the Management Board is a member of the Board of Directors by virtue of his position.

11. A person who does not meet the requirements of the Law on Banks cannot be appointed (elected) to the position of member of Board of Directors of the Bank.

12. The Chairperson of the Board of Directors of the Bank is elected majority vote of the members of Board of Directors of the Bank voting by open vote.

The Chairperson is responsible for the performance of the Board of Directors of the Bank and presides at meetings of the Board of Directors.

13. Meetings of the Board of Directors may be convened by the Chairperson of the Board of Directors or the Chairperson of the Management Board or at the request of any member of the Board of Directors, the Internal Audit, the audit company, auditing the Bank, or the principal shareholder of the Bank.

14. A notification in writing of holding the meeting of the Board of Directors indicating the date, time, venue and the agenda of the meeting should be despatched to the members of the Board of Directors not later than three days before the meeting date. The period for notification of the members of the Board of Directors may be changed by the resolution of the Chairperson of the Board of Directors depending the nature of issues to be considered by the Board of Directors.

15. Any member of Board of Directors shall, in advance, inform the Management Board on the impossibility of his/her participation in the meeting of the Board of Directors.

16. The quorum for the meeting of the Board of Directors should be represented by at least half of total number of the members of Board of Directors, including one independent director. Members of the Board of Directors, who cannot attend the meeting physically, have the right to participate in the discussion of all issues on the agenda and to vote on such issues by telephone or other means of communications which enable the member of the Board of Directors not present at the meeting to be explicitly identified and adequately perception of the statements and arguments of such member of the Board of Directors and any resolutions made by him.

17. Each member of the Board of Directors has one vote.

Resolutions of the Board of Directors of the Bank are made by simple majority of the total number of members of the Board of Directors when the meeting is held in presentia or by a simple majority of the signatures of members of Board of Directors of total number of members of Board of Directors for postal voting except as provided by clause 3 article 31 of this Charter. In the case of a tied vote, the Chairperson of the Board of Directors (at a meeting in presentia or postal vote) or the person presiding at a meeting of the Board of Directors (when holding a meeting in presentia) shall have a conclusive vote.

18. Resolutions of the Board of Directors made at a meeting in presentia are recorded officially in the minutes of the meeting of the Board of Directors within three days of the date of the meeting.

Minutes of the meeting of the Board of Directors shall include the following information:

- 1) the full name of the Bank and the address of the Management Board of the Bank;
- 2) the date, time and venue of the Board of Directors' meeting;
- 3) information about the people attending the Board of Directors' meeting;
- 4) the agenda of the Board of Directors' meeting;
- 5) issues submitted for voting and the results of voting;
- 6) the resolutions made at the Board of Directors' meeting; and
- 7) any other information required by the resolution of the Board of Directors.

19. Minutes of the meeting of the Board of Directors shall be signed by the Chairperson of the Board of Directors or the person presiding at the meeting and the Secretary of the meeting.

20. Resolutions on issues proposed for consideration of the Board of Directors of the Bank may be made by means of postal vote. Resolutions made by postal vote shall be valid subject to a quorum of ballot papers having been received in due time. Resolution of a meeting of the Board of Directors in postal vote should be issued in the written form (the resolution of the Board of Directors) and signed by the Secretary and the Chairperson of the Board of Directors.

21. Minutes of the meeting of the Board of Directors and resolutions made by postal vote are kept in the archives of the Bank and will be evidenced by the Secretary of the meeting at the request of any member of the Board of Directors and (or) by the way of providing extracts from the Minutes or a copy of the resolution certified by the signature of the authorised person of the Bank and a seal.

Article 31. Authority of the Board of Directors of the Bank

1. The Board of Directors implements the general management of the Bank's operations except in relation to issues, by the Law and this Charter, fall within the exclusive authority of the of the General Shareholders' Meeting.

2. The following issues fall within the exclusive authority of the Board of Directors:

- 1) determination of the priority areas of the Bank's operations, approval of the development strategy of the Bank;
- 2) decision-making on convening the Annual and Extraordinary General Shareholders' Meeting;
- 3) submit to the General Shareholders' Meeting of the Bank of issues as

prescribed by the Law;

4) decision-making on regarding placement (realization) of shares, including the number of placed (realized) shares of the Bank within the limit of number of authorized shares, methods and price of their placement, including offers to placement of securities, relating to the listing of the Bank's shares or depositary receipts on international stock exchanges;

5) decision-making on repurchase by the Bank of issued shares or other securities and the price of theirs repurchase;

6) preliminary approval of the annual financial statements of the Bank;

7) decision-making on payment of dividends on common shares and determination of the amount of dividend per one common share, except for dividends payable for the accounting financial year;

8) establishment of the conditions for issue of bond and derivative securities of the Bank;

9) determination of quantitative structure and terms of authority of the Management Board, the election of the Chairman of the Management Board and the members of the Management Board, and early termination of their authority;

10) determination of the amounts of official salaries and other remuneration and bonuses to the Chairperson and members of the Management Board;

11) establishment of the procedure for work of the Internal Audit, the amount and conditions of remuneration and bonuses for employees of the Internal Audit;

12) establishment of the amount of payment for the services of appraiser and the audit companies;

13) approval of the general terms and conditions of the Bank's operations;

14) approval of the Bank's internal credit policy;

15) approval of the Bank's accounting policies;

16) approval of documents regulating internal operations of the Bank (rules, policies) related to the authority of the Board of Directors consistently to the legislation of the Republic of Kazakhstan, except for documents that are adopting by the Management Board with a view of organising the operations of the Bank;

17) decision-making on opening and closing branches and representative offices of the Bank and approval of their regulations;

18) decision-making on the Bank's participation in formation and operations of other entities;

19) election of the registrar of the Bank in the event of termination of the agreement with the former registrar;

19) determination of information about the Bank or its operations which constitutes its official, commercial or other secrets protected by the law;

20) decision-making on the execution of major transactions and transactions the Bank is interested in as prescribed by the Law;

21) decision-making on the execution of transactions with related parties;

22) increasing in the liability of the Bank by ten per cent or more of the Bank's shareholders' equity.

23) recommendation to the General Shareholders' Meeting the amount of salary and payment terms of remuneration and bonuses to the members of the Board of Directors.

24) establishment of committees of the Board of Directors, approval of its authorities and election of members of the committees of the Board of Directors;

25) monitoring of the Bank's compliance with the listing rules and disclosure requirements of stock exchanges applicable to securities of the Bank listed on such stock exchanges in accordance with the resolutions of the Bank by reviewing reports of the Management Board;

26) preliminary approval of the Bank's Code of Corporate Governance and amendments and supplements thereto;

27) approval of the special remuneration terms of the Bank's employees, except for the members of the Board of Directors, which include granting options over the Bank's shares and the changes to such terms in accordance with the employee incentive plan approved by the General Shareholders' Meeting;

28) decision on de-listing of the Bank's securities from trading on the Kazakhstan Stock Exchange and/or on stock exchanges of other countries;

29) other issues, decision-making upon which, consistently to the legislation of the Republic of Kazakhstan or this Charter, may be referred to the exclusive authority of the Board of Directors.

3. Resolutions of the Board of Directors on issues indicated in clause 2 of this article, other than issues related to the election of the Chairperson of the Board of Directors and any early termination of his authority, shall be adopted in accordance with the procedure determined by clause 17 article 30 of this Charter.

Resolutions of the Board of Directors on issues related to the election of the Chairperson of the Board of Directors and any early termination of his authority shall be adopted by the majority vote of not less than two thirds of the total number of votes of members of the Board of Directors of the Bank. A member of the Board of Directors of the Bank who is a candidate for election to the position of the Chairperson of the Management Board or, accordingly, Chairperson of the Management Board does not participate in voting on these issues.

4. The Board of Directors may not decide on issues which are in accordance with this Charter, within the exclusive authority of the General Shareholders' Meeting or Management Board of the Bank nor resolve so as to contradict the resolutions of the General Shareholders' Meeting.

Issues referred to the exclusive authority of the Board of Directors cannot be passed on resolution to the Management Board of the Bank.

5. The Board of Directors shall only make a decisions on the following issues (to the extent that such issues fall within the exclusive authority of the Board of Directors), or shall propose any of the following issues to be resolved at a General Shareholders' meeting (to the extent that they fall within the exclusive authority of the General Shareholders' Meeting), provided that a majority of the members of the Board of Directors, including a majority of independent directors, approve such decision at the relevant meeting of the Board of Directors:

1) entering into any transaction between the Bank and any of its shareholders holding more than ten per cent of the Bank's common shares, provided that the size of such transaction will equal or exceed fifty per cent of the total size of the Bank's equity capital;

2) preliminary approval of the Charter of the Bank, amendments and supplements thereto;

3) preliminary approval of the Bank's Code of Corporate Governance and amendments and/or supplements thereto;

4) approval and amendment of any changes in the authority of the Board of

Directors and election of its members;

5) the placement of the Bank's common shares in the amount that excess twenty five per cent of the total number of issued common shares of the Bank;

6) the conclusion of major transactions (being a transaction or combination of inter-related transactions which result or may result in the purchase or disposal by the Bank of assets representing twenty five per cent or more of the total size of the Bank's assets);

7) the conclusion of a transaction or combination of inter-related transactions resulting in the potential buyback by the Bank of its issued common shares or the sale of the Bank's common shares that were purchased by the Bank representing twenty five per cent and more of the total number of issued common shares to be purchased or sold;

8) an increase in the Bank's liabilities in an amount equal to fifty per cent or more of the equity capital of the Bank;

9) a proposal on the voluntary liquidation or reorganisation of the Bank;

10) a resolution on the de-listing of the Bank's securities from the stock exchanges of Kazakhstan and/or on stock exchanges of other countries; and

11) the recommendation of an audit company for the annual audit of the Bank.

In considering any issues provided by sub-clause 5 of article 31 of this Charter, the independent directors have the right to obtain recommendations of professional advisers (including legal and financial advisers) at the expense of the Bank, and on terms agreed in advance with the Chairman of the Board of Directors of the Bank.

6. Members of the Board of Directors have no the right to participate in the consideration or passing of resolutions on any transaction in which they have an interest. When issues set out in sub-clause 5 of article 31 hereof are being considered and any of the independent directors has an interest in a transaction, the majority vote shall be established taking into account only the votes of the independent directors not interested in the execution of such transaction by the Bank.

7. Any banking operation related to the execution by the Bank of a transaction with a related party shall be carried out on the same terms as would be applied if such person had no special relations with the Bank.

Article 32. Management Board

1. The Management Board is a collegial executive authority of the Bank which acts on behalf of the Bank and represents its interests, concludes transactions on its behalf as prescribed by this Charter and the Law and issues decisions (resolutions) and instructions binding upon all employees of the Bank.

2. The Management Board of the Bank consists of the Chairperson of the Management Board and other members of the Management Board of the Bank. Quantity and membership of the Management Board is determined by the Board of Directors of the Bank.

The Chairperson and the members of the Management Board are elected (approved) to their positions with the consent of the Authorised Body.

The Chairperson and the members of the Management Board should act in the interests of the Bank, have unblemished business reputations, a professional qualification necessary for the management of the Bank's current operations and special knowledge of the Bank's operations and of the management sphere.

3. Only an individual can be elected as a member of the Management Board. A

member of the Management Board is elected from a list of candidates suggested (recommended) by the Board of Directors and (or) shareholders of the Bank.

A person who does not meet the requirements of the Law on Banks cannot be elected (appointed) as a member of the Management Board of the Bank.

4. By the resolution of the Board of Directors of the Bank the appointments of members of the Management Board can be terminated before their expiration. An individual employment agreement with the Chairperson of the Management Board is signed on behalf of the Bank by the Chairperson of the Board of Directors of the Bank or by the person authorised hereto by the Board of Directors. Individual labour contracts with other members of the Management Board are concluded on behalf of the Bank by the Chairperson of the Management Board.

The scope of work, rights and duties of members of the Management Board are determined by the Law, this Charter and individual labour contracts.

5. A member of the Management Board of the Bank has the right to work for other companies only with the consent of the Board of Directors of the Bank.

6. The Management Board meeting is convened as and when needed by the Chairperson of the Management Board or a person acting as a Chairperson or at the request of not less than one third of its members.

7. A meeting of the Management Board is recognised as quorate when more than half of the total number of members of the Management Board are present at the meeting.

Meetings of the Management Board are conducted by the Chairperson of the Management Board or by a person acting as a Chairperson.

8. Resolutions of the Management Board meeting are adopted by a simple majority of the total numbers of votes of members of Management Board attending the meeting.

In the case of a tied vote the vote of the Chairperson of the Management Board is conclusive.

Resolutions on issues submitted to meetings of the Management Board can be made by postal vote and are officially reordered as resolutions of the Management Board.

9. Minutes of meetings of the Management Board are kept by the Secretary of the meeting.

In the case of disagreement on a resolution of the Management Board, a member of the Management Board has a right to request and the Secretary is obliged to include a special objection in the minutes.

Minutes of a meeting of the Management Board are recognised as valid when signed by the members of the Management Board attending the meeting and by the secretary of the meeting.

Article 33. Authority of the Management Board

1. The Management Board implements the resolutions of the General Shareholders' Meeting and the Board of Directors and is authorised to resolve any issues except issues within the exclusive authority of the General Shareholders' Meeting and the Board of Directors of the Bank.

2. The Management Board's scope of work includes:

1) developing and submitting the Bank's development strategy to the Board of Directors of the Bank for discussion;

2) approving internal documents relating to the management of the Bank's operations except for documents which fall within the exclusive authority of other bodies of the Bank;

3) distributing responsibilities and powers among the members of the Management Board;

4) approving the business-plan, investment programme and budget of the Bank for a specific period;

5) presenting financial reports (the balance sheet, the income statement, the cash flow report and other reports in accordance to the legislation of the Republic of Kazakhstan on accounting and financial reporting) to the Board of Directors and the General Shareholders' Meeting as prescribed by the legislation of the Republic of Kazakhstan and this Charter;

6) approving real estate transactions except for cases where falls within the exclusive authority of other bodies of the Bank in accordance with this Charter or the legislation of the Republic of Kazakhstan;

7) determining the size of (by establishing limits on) of loans (guarantees, sureties) given by the Bank to third parties in accordance with the internal documents of the Bank except for issues that fall within the exclusive authority of other bodies of the Bank;

8) appointing (election) the chief executive officers of branches and representative offices of the Bank as prescribed by the legislation of the Republic of Kazakhstan;

9) approving the structure and staff of the Bank, office labour regulations, internal rules related to discipline and rewards within its competence;

10) reviewing and resolving on the execution of collective agreements in accordance with the legislation of the Republic of Kazakhstan;

11) implements other functions that consistent to the legislation of the Republic of Kazakhstan and this Charter that are not designated as within the exclusive authority of other bodies of the Bank.

3. The Management Board of the Bank has the right to establish working groups or committees for consideration of priority issues within its authority.

Article 34. The Chairperson of the Management Board

1. The Chairperson of the Management Board is elected by the Board of Directors of the Bank and is responsible for the daily management of the Bank's operations.

2. The scope of work of the Chairperson of the Management Board includes:

1) arranging the operations of the Management Board of the Bank;

2) implementing the resolutions of the General Shareholders' Meeting of the Bank and the Board of Directors;

3) acting on behalf of the Bank in relations with third parties without a power of attorney;

4) issuing powers of attorney to represent the Bank in its relations with third parties;

5) appointing, transferring and dismissing employees of the Bank, except for members of the Management Board, providing incentives and imposing disciplinary measures, establishing the amounts of official salaries of employees of the Bank and individual increase in salaries in accordance with the staff list of the Bank,

determining the size of bonuses of the employees of the Bank, except for employees that are members of the Management Board or the Internal Audit of the Bank;

6) in the Chairperson's absence entrusting the execution of his duties to one of the members of the Management Board;

7) disposing of the Bank's property and funds as is prescribed by the legislation of the Republic of Kazakhstan and this Charter;

8) implementing other functions consistent with the legislation of the Republic of Kazakhstan and this Charter, including functions determined by resolutions of the General Shareholders' Meeting and not referred to the exclusive authority of other bodies of the Bank.

Article 35. Internal Audit

1. The Internal Audit is responsible for monitoring the financial and administrative performance of the Bank.

2. The Internal Audit is a body of the Bank which is under and reports directly to the Board of Directors.

The Internal Audit's scope of work and its terms, amount and conditions of remuneration and bonuses to its employees are determined by the Board of Directors of the Bank.

3. The Internal Audit complies with the legislation of the Republic of Kazakhstan, this Charter, internal audit regulations, and also other internal regulations and documents of the Bank and international standards of internal audit to the extent that they are consistent with the legislation of the Republic of Kazakhstan in its operations.

4. The employees of the Internal Audit may not be elected to the Management Board or the Board of Directors of the Bank and nor have they the right to occupy senior positions in companies that compete with the Bank and/or the Bank's subsidiaries.

The Chairman of the Internal Audit is elected by the Boards of Directors from members of the Internal Audit.

5. The Chairman and members of the Internal Audit must have a university degree, knowledge of banking legislation, accounting and also professional skills and qualifications suited to the kind functions carried out the Internal Audit.

Article 36. Credit committee of the Bank

1. The Credit committee of the Bank is a permanent collegiate body that implements the internal credit policy. There may be the single or more Credit committees in the Bank. The Credit committees of the Bank may have the clarifying name that reflects specific character of their operation. Membership of the Credit committee (Credit committees) is approved by the Management Board of the Bank.

2. The Internal credit policy regulations and amendments and supplements thereto are approved by the Board of Directors of the Bank as prescribed by this Charter and the legislation of the Republic of Kazakhstan.

3. The operations and decision making processes of the Credit committee (Credit committees) are regulated by the internal regulations of the Bank as approved by the Board of Directors.

Chapter VI. Financial statements and audit of the Bank.

Disclosing information by the Bank. Documents of the Bank

Article 37. Financial (operational) year of the Bank. Accounting and reporting

1. The financial (operational) year of the Bank begins on 1st January and ends on 31st December.
2. The Bank keeps its books in accordance with the international financial reporting standards.
3. The accounting policy of the Bank is determined by the Board of Directors of the Bank.

Article 38. Annual financial statements

1. The annual financial statements of the Bank consist of the balance sheet, the income statement, the cash flow statement and other reports in accordance with the legislation of the Republic of Kazakhstan on accounting and financial reporting.

2. The Management Board of the Bank annually presents to the General Shareholders' Meeting of the Bank for its discussion and approval annual financial statements for the past year which have been audited in accordance with the legislation of the Republic of Kazakhstan on audit activities. In addition to the financial statements, the Management Board submits an audit report to the General Shareholders' Meeting. The annual financial statements are subject to preliminary approval by the Board of Directors of the Bank not later than thirty days before the date of the annual General Shareholders' Meeting.

Final approval of the annual financial statements is made by the annual General Shareholders' Meeting.

3. The Bank is obliged annually to make public balance sheet, the statement of changes in equity, the cash flow statement and income statement as and when required by the legislation of the Republic of Kazakhstan in the mass media, after confirmation by the audit company of the Bank.

4. The Bank presents the annual financial statements to the Authorised Body as and when required by the legislation of the Republic of Kazakhstan.

Article 39. Audit of the Bank

1. Audit and verification of the reliability of the annual financial statements of the Bank and as the current status of its affairs must be made by an audit company qualified to carry out audits in accordance with the legislation on audit operations in the Republic of Kazakhstan and subject to the requirements of the banking legislation of the Republic of Kazakhstan.

2. The audit company publishes the results of the audit and its conclusions in the audit report presented to the Board of Directors and the Management Board of the Bank.

3. The audit of the Bank may be carried out at the initiative of the Board of Directors and the Management Board at the expense of the Bank or at the request of a major shareholder at its own expense, and such major shareholder has the right to appoint the audit company independently. In such case, the Bank is obliged to provide all necessary documentation (information) required by the audit company.

Article 40. Information disclosure by the Bank

1. The Bank is obliged to notify its shareholders on the Bank's operations, affecting the interests of shareholders, by publishing information in mass media - «Egemen Kazakhstan», «Kazakhstanskaya pravda» within five business days from the date of any event, action or resolution determined in clause 2 of this article, unless a different term is defined by legislative acts of the Republic of Kazakhstan.

The Bank shall additionally disclose information affecting the interests of shareholders in the course of and on terms determined by legislative acts of the Republic of Kazakhstan by means of:

- 1) providing information to the authorised body;
- 2) providing information to the stock exchange consistently to the internal documents of such stock exchange.

2. Information which affects the interests of shareholders of the Bank includes:

- 1) resolutions adopted by the General Shareholders' Meeting and the Board of Directors and information on implementation of adopted resolutions;

- 2) issue by the Bank its shares and other securities and approval by the authorised body of reports on placement of securities of the Bank, reports on the securities repayment, cancellation of securities of the Bank by the authorised body;

- 3) execution by the Bank of the major transactions and transactions where the Bank is interested;

- 4) procurement of a loan by the Bank equal to twenty five per cent and more of the size of the Bank's equity capital;

- 5) obtaining licences for conducting of any type of operations by the Bank, discountenance or termination of any of the Bank's existing licences for conducting any type of operations;

- 6) the Bank's investments in setting up a legal entity;

- 7) sequestration of the Bank's property;

- 8) extraordinary circumstances resulting in destruction of the Bank's property which balance sheet value constitutes ten per cent and more of the total size of the Bank's assets;

- 9) bringing to the administrative responsibility of the Bank and its officials;

- 10) resolution on forced reorganisation of the Bank.

2. In order to receive information on the Bank's operations, shareholders may submit a written request to the Chairperson of the Management Board of the Bank indicating information required by the shareholder concerning the Bank's operations and its purposes.

The Chairperson of the Management Board of the Bank or any other authorised person may resolve to restrict information disclosure that is confidential and constitutes official, commercial or other secrets protected by law. Information which constitute banking secret shall be subject to disclosure only consistently to the norms of the legislation of the Republic of Kazakhstan.

A request should be considered within 30 days. At the expiration of the indicated period, the Bank is obliged to notify the applicant in written form about the results of the consideration of the received request.

Article 41. Documents of the Bank

1. The Bank is responsible for the safe-keeping of the following documents:

- 1) the Charter of the Bank and amendments and supplements thereto;

- 2) the minutes of the constitutive meetings;

- 3) the constitutive agreement (resolution of a single founder) and amendments and supplements thereto (resolution of a single founder);
- 4) the certificate of the state registration (re-registration) of the Bank as a legal entity;
- 5) the statistic card of the Bank;
- 6) the licences for carrying out banking operations or other types of licences for specific types of operations and (or) performing specific actions;
- 7) any documents confirming the rights of the Bank to the property that is (or was) on its balance sheet;
- 8) securities issue prospectuses of the Bank;
- 9) documents confirming the state registration of securities issues of the Bank, securities cancellation and approval of the reports on placement and repayment of the securities of the Bank, submitted to the Authorised Body;
- 10) regulations of the branches and representative offices of the Bank;
- 11) Minutes of the and materials related to the issues included in the agenda of the General Shareholders' Meetings;
- 12) lists of shareholders attending the General Shareholders' Meeting;
- 13) Minutes of the Board of Directors' meetings (including resolutions passed by postal vote) and materials relating to issues on the agenda of the Board of Directors' meetings;
- 14) Minutes of the meetings (and resolutions) of the Management Board of the Bank; and
- 15) the Corporate Governance Code of the Bank and amendments and supplements thereto.

2. Any other documents, including the financial statements of the Bank shall be kept for a period established in accordance with the legislation of the Republic of Kazakhstan.

3. At the request of a shareholder, the Bank shall provide copies of documents set out in clause 1 of this article as prescribed by this Charter and by the Law.

The Chairperson of the Management Board of the Bank may resolve to restrict providing documents of a confidential nature and information which constitutes official, commercial or other secret protected by law.

4. To obtain documents indicated in clause 1 of this article, shareholders can submit a written request to the Chairperson of the Management Board of the Bank indicating the required documents and the purposes of their utilization. A request shall be reviewed within 30 days unless otherwise prescribed by the Law. At the expiration of the indicated period the Bank is obliged to notify the applicant in writing as to the results of its consideration of the request.

5. At the written request of a shareholder, the Bank shall provide copies of the Charter together with, amendments and supplements thereto within three business days of date of receipt of such request from the shareholder.

6. The Bank may charge the shareholder for the costs of providing copies of documents that not to exceed the cost of making the copies of documents, expenses related to the delivery of the documents to the shareholder and payment for the services of an independent registrar.

Article 42. The procedure for provision by shareholders and officials of the Bank of the information concerning their affiliates

1. Shareholders and officials of the Bank should provide information on their affiliated persons as and when prescribed by the legislation of the Republic of Kazakhstan and the internal rules of Bank.

2. In order to receive information on affiliates of its shareholders and officials, the Bank may dispatch a relevant notice in writing to shareholders and officials and (or) publish a notification in the mass media as set out in clause 1 of article 40 of the Charter, with the list of the information, the timing and the format of the information requested.

Chapter VII. Termination of the Bank's operations

Article 43. Reorganisation of the Bank

1. Any reorganisation of the Bank (e.g. merger, consolidation, separation, spin-off or transformation) shall be executed in accordance to the legislation of the Republic of Kazakhstan and this Charter.

2. Any reorganisation of the Bank is possible by virtue of a resolution of the General Shareholders' Meeting and permission of the Authorised Body to carry out the voluntary reorganisation. This issue shall be submitted to the General Shareholders' Meeting by the Board of Directors of the Bank.

3. Any petition to the Authorised Body for a permission to execute a voluntary reorganisation is subject to the relevant resolution of the General Shareholders' Meeting of the Bank.

Any voluntary reorganisation of the Bank is regulated by the legislation of the Republic of Kazakhstan.

4. If the Bank were to terminate its operations following a reorganisation, its authorised shares including outstanding shares, would be subject to cancellation as prescribed by the legislation of the Republic of Kazakhstan.

Article 44. Liquidation of the Bank

1. The Bank may be liquidated:

1) by a resolution of the General Shareholders' Meeting subject to the permission of the Authorised Body ("Voluntary Liquidation");

2) by resolution of a court as prescribed by the legislative acts of the Republic of Kazakhstan ("Compulsory Liquidation").

3. In the event of the liquidation of the Bank its authorised shares including issued shares shall be subject to cancellation as prescribed by the legislation of the Republic of Kazakhstan.

Article 45. Voluntary liquidation

1. In the case of a Voluntary Liquidation of the Bank and subject to the permission of the Authorised Body, the General Shareholders' Meeting, together with the creditors and subject to their control, shall determine a liquidation procedure and appoint a liquidation commission in accordance with the legislation of the Republic of Kazakhstan. Shareholders holding five per cent or more in aggregate of the voting shares of the Bank have the right to have a representative on the liquidation commission.

2. The specific provisions in relation to the liquidation commission' operation during a Voluntary Liquidation are determined by the normative legal acts of the

Authorised Body.

3. The liquidation commission has authority from the date of its appointment to manage the Bank's operations.

Article 46. Compulsory liquidation

A Compulsory Liquidation is made by a court of law in connection with:

- a) the bankruptcy of the Bank;
- b) a revocation of the licences of the Bank to carry out banking operations in accordance with the banking legislation of the Republic of Kazakhstan; or
- c) an application (or law suit) of authorised state bodies, legal entities or individuals seeking termination of the Bank's operations for other reasons as provided for in legislative acts.

Article 47. Recognition of the Bank's Bankruptcy

An insolvency and business failure of the Bank is certified by the conclusion of the Authorised Body and the certification is submitted to the court based on the calculation methodology of regulatory requirements (and other binding requirements and limits) and the size of the equity capital of the Bank.

1. The Bank may be declared bankrupt only by a decision of a court of law in accordance with the established procedure.

2. An out of court liquidation of the insolvent Bank by the resolution of its creditors or the Bank itself is not permitted.

Article 48. Satisfaction of creditors' claims upon the Bank's liquidation

1. A liquidation (bankruptcy) estate is formed as prescribed by the legislation of the Republic of Kazakhstan.

2. Under a Compulsory Liquidation of the Bank, creditors' claims are satisfied as prescribed by the banking legislation of the Republic of Kazakhstan.

3. The Bank is deemed to have terminated its operations when an appropriate entry is made in the state register of legal entities.

Article 49. Distribution of the property of the liquidated Bank amongst shareholders

The property of the Bank remaining after settlement with creditors is distributed by the liquidation commission among shareholders in accordance with the procedure provided by the banking legislation of the Republic of Kazakhstan.

Authorised person

**Chairman of the Management Board
JSC Halyk Bank of Kazakhstan**

Grigoriy Marchenko

The Republic of Kazakhstan

27 December 2006

Hereby I, Saule E. Elshiyeva, notary, acting in accordance with the License No.0001362 issued by the Ministry of Justice of the Republic of Kazakhstan on 01 April 2003, certify the authenticity of the signature of Grigoriy A. Marchenko, Chairman of the Management Board of JSC "Halyk Bank", made in my presence.

Personality of Grigoriy A. Marchenko was identified, his capability was examined.

Registered number 6650

Collected KZT 203

Notary _____

Урмиева Ленура Бийтуллаевна

Республика Казахстан, город Алматы, второе мая две тысячи седьмого года

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