



SERIES PROSPECTUS

prepared in connection with perpetual callable U.S.\$1,000,000,000 7.875 per cent. Loan Participation Notes issued as Series 8 to finance a subordinated loan under the U.S.\$10,000,000,000 Programme for the Issuance of Loan Participation Notes to be issued by, but with limited recourse to,
GPB Eurobond Finance plc
for the purpose of financing loans to
Gazprombank (Open Joint-Stock Company)
Issue Price: 100 per cent.

This Series Prospectus, which must be read and construed as one document in conjunction with information incorporated by reference herein (see “*Documents and Information Incorporated by Reference*”), which includes the base prospectus dated 23 April 2012 prepared in connection with the Programme, as supplemented on 24 April 2012, 21 June 2012, 27 June 2012, 16 July 2012 and 11 September 2012 (when two base prospectus supplements were issued) (the “**Base Prospectus**”) (the “**Series Prospectus**”), is prepared in connection with the issue of the Notes by GPB Eurobond Finance plc (the “**Issuer**”) under the Programme. The Notes are being issued for the sole purpose of financing a new subordinated loan of U.S.\$1,000,000,000 (the “**Subordinated Loan**”) to Gazprombank (Open Joint-stock Company) (“**Gazprombank**” or the “**Borrower**”), as borrower. The Loan is granted pursuant to the terms of a subordinated Loan Agreement between the Issuer and Gazprombank dated 24 October 2012 (the “**Subordinated Loan Agreement**”), the form of which is set out herein.

Subject to the provisions of an amended and restated principal trust deed dated September 23, 2011 (the “**Principal Trust Deed**”) between the Issuer and Citicorp Trustee Company Limited (the “**Trustee**”) as amended in respect of the Notes by a supplemental trust deed between the Issuer and Trustee to be dated on or about the date of the issue of the Notes (the “**Supplemental Trust Deed**”, and together with the Principal Trust Deed, the “**Trust Deed**”) the Issuer (a) will charge, in favour of the Trustee, by way of a first fixed charge as security for its payment obligations in respect of the Notes and under the Trust Deed, certain of its rights and interests under the Subordinated Loan Agreement and the Account (as defined in the Subordinated Loan Agreement), but excluding any Issuer Reserved Rights (as defined in the Trust Deed), and (b) will assign, in favour of the Trustee, certain of its other rights under the Subordinated Loan Agreement, but excluding any Issuer Reserved Rights, in each case for the benefit of the holders of the Notes (the “**Noteholders**”), all as more fully described under “*Overview of the Programme*” in the Base Prospectus.

In each case where amounts of principal, interest and additional amounts (if any) are stated to be payable in respect of the Notes, the obligation of the Issuer to make any such payment constitutes an obligation only to account to the Noteholders, on each date upon which such amounts of principal, interest and additional amounts (if any) are due in respect of such Notes, for an amount equivalent to all principal, interest and additional amounts (if any) actually received from Gazprombank by or for the account of the Issuer pursuant to the Subordinated Loan Agreement. The Issuer will have no other financial obligation under the Notes. **Noteholders will be deemed to have accepted and agreed that they will be relying solely on the credit and financial standing of Gazprombank in respect of the payment obligations of the Issuer under the Notes.**

This Series Prospectus is to be read and construed in conjunction with the sections of the Base Prospectus and other information which is incorporated herein by reference. See “*Documents and Information Incorporated by Reference*”.

AN INVESTMENT IN THE NOTES INVOLVES A HIGH DEGREE OF RISK. PROSPECTIVE INVESTORS SHOULD HAVE REGARD TO THE FACTORS DESCRIBED UNDER THE SECTION ENTITLED “RISK FACTORS” IN THIS SERIES PROSPECTUS.

THE SERIES 8 NOTES AND THE CORRESPONDING LOANS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “U.S. SECURITIES ACT”), SUBJECT TO CERTAIN EXCEPTIONS, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (“REGULATION S”)). THE SERIES 8 NOTES MAY BE OFFERED AND SOLD TO NON-U.S. PERSONS IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S. FOR A DESCRIPTION OF SELLING AND TRANSFER RESTRICTIONS, SEE “SUBSCRIPTION AND SALE” AND “TRANSFER RESTRICTIONS” IN THE BASE PROSPECTUS.

This Series Prospectus or information contained therein is not an offer, or an invitation to make offers, to sell, exchange or otherwise transfer securities in the Russian Federation to or for the benefit of any Russian person or entity and does not constitute an advertisement or offering of securities in the Russian Federation within the meaning of Russian securities laws. Information contained in the Series Prospectus is not intended for any persons in the Russian Federation who are not “qualified investors” within the meaning of Article 51.2 of Federal Law No. 39-FZ “On the Securities Market” dated 22 April 1996, as amended (the “Russian QIs”) and must not be distributed or circulated into Russia or made available in Russia to any persons who are not Russian QIs, unless and to the extent they are otherwise permitted to access such information under Russian law. The Notes have not been and will not be registered in Russia and are not intended for “placement” or “circulation” in Russia (each as defined in Russian securities laws) unless and to the extent otherwise permitted under Russian law.

This Series Prospectus has been approved by the Central Bank of Ireland (the “**Central Bank**”) as competent authority under the Prospectus Directive. The Central Bank only approves this Series Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market (the “**Main Securities Market**”). The Main Securities Market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on Markets in Financial Instruments. The Series Prospectus, as approved by the Central Bank, will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus (Directive 2001/73/EC) Regulations 2005.

The Notes will be represented by interests in a global unrestricted Note in registered form (the “**Global Note**”), without interest coupons, which will be deposited with a common depositary for, and registered in the name of a nominee of, Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking, *société anonyme* (“**Clearstream, Luxembourg**”) on its Issue Date. Beneficial interests in such Global Note will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg.

Structuring Advisor
GOLDMAN SACHS INTERNATIONAL
Joint Lead Managers

CREDIT SUISSE
GPB-FINANCIAL SERVICES LTD

GOLDMAN SACHS INTERNATIONAL
HSBC

The date of this Series Prospectus is 24 October 2012

This Series Prospectus (when read and construed in conjunction with the sections of the Base Prospectus incorporated by reference herein see “*Documents and Information incorporated by Reference*”) comprises a prospectus for the purposes of Directive 2003/71/EC of the European Parliament and the Council, as amended (together with any applicable implementing measures in any Member State, the “**Prospective Directive**”) and for the purpose of giving information with regard to the Issuer, Gazprombank and its subsidiaries taken as a whole (the “**Group**”) which, according to the particular nature of the Issuer, Gazprombank, the Group, the Notes and the Subordinated Loan, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer, Gazprombank and the Group.

Each of the Issuer and Gazprombank accepts responsibility for the information contained in this Series Prospectus. To the best of the knowledge and belief of each of the Issuer and Gazprombank (having taken all reasonable care to ensure that such is the case), the information contained in this Series Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Gazprombank’s legal name is Gazprombank (Open Joint-stock Company) and the address of its registered office and its head office is 16 Block 1, Nametkina Street, Moscow 117420, the Russian Federation. The telephone number of the registered office and head office is +7 495 913 74 74. The Issuer’s legal name is GPB Eurobond Finance PLC, registered as a public company with limited liability under the Companies Act 1963-2005 of Ireland under number 406153, and the address of its registered office is 5 Harbourmaster Place, IFSC, Dublin 1, Ireland. The telephone number of the Issuer’s registered office is +353 1 680 6000.

To the extent that there is any inconsistency between (a) any statement in this Series Prospectus and (b) any statement in the Base Prospectus, the statement in this Series Prospectus will prevail in respect of the Notes only.

This Series Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, Gazprombank, the Group, the Trustee, Credit Suisse Securities (Europe) Limited, Goldman Sachs International, GPB Financial Services Ltd. and HSBC Bank plc (the “**Joint Lead Managers**”) to subscribe for or purchase any of the Notes.

The distribution of this Series Prospectus and the offer or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Series Prospectus comes are required by the Issuer, Gazprombank, the Group, the Trustee, the Joint Lead Managers to inform themselves about and to observe any such restrictions. Further information with regard to restrictions on offers and sales of the Notes and the distribution of this Series Prospectus is set out under “*Issue Terms of the Notes*” in this Series Prospectus and “*Subscription and Sale*” in the Base Prospectus.

No person is authorised to provide any information or make any representation not contained in this Series Prospectus or incorporated by reference herein and any information or representation not contained in this Series Prospectus or incorporated by reference herein must not be relied upon as having been authorised by or on behalf of the Issuer, Gazprombank, the Group, the Trustee or the Joint Lead Managers. The delivery of this Series Prospectus at any time does not imply that the information contained in it is correct as at any time subsequent to its date. The websites of Gazprombank and its subsidiaries do not form any part of the contents of this Series Prospectus.

Neither the delivery of this Series Prospectus nor the offer, sale or delivery of any Note shall in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer, Gazprombank or the Group since the date of this Series Prospectus.

The Issue Terms contained herein do not constitute final terms for the purposes of Article 5(4) of the Prospectus Directive.

The language of this Series Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

None of the Issuer, Gazprombank, the Group, the Trustee, the Joint Lead Managers or any of their respective representatives is making any representation to any offeree or purchaser of the Notes regarding the legality of an investment by such offeree or purchaser under relevant investment or similar laws. Each investor should consult with its own advisers as to the legal, tax, business, financial and related aspects of purchase of the Notes.

Prospective purchasers must comply with all laws that apply to them in any place in which they buy, offer or sell any Notes or possess this Series Prospectus or the Base Prospectus (certain sections of which are incorporated by reference herein). Any consents or approvals that are needed in order to purchase any Notes must be obtained. The Issuer, Gazprombank, the Group and the Joint Lead Managers are not responsible for compliance with these legal requirements. The appropriate characterisation of any Notes under various legal and investment restrictions, and thus the ability of investors subject to these restrictions to purchase such Notes, is subject to significant interpretative uncertainties. No representation or warranty is made as to whether or the extent to which any Notes constitute a lawful investment for investors whose investment power is subject to legal restrictions. Such investors should consult their legal advisers regarding such matters.

This Series Prospectus may only be provided to persons in the United Kingdom in circumstances where Section 21(1) of the Financial Services and Markets Act 2000 does not apply to the Issuer or Gazprombank. Accordingly, this Series Prospectus is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”) or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “**relevant persons**”). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

In connection with the issue of the Notes, Goldman Sachs International (the “**Stabilising Manager**”), or persons acting on behalf of the Stabilising Manager, may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that such Stabilising Manager (or persons acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date of the Notes and 60 days after the date of allotment of the Notes. Any stabilisation action or over-allotment shall be conducted in accordance with all applicable laws and rules.

This Series Prospectus will be filed with and approved by the Central Bank as required by the Prospectus Regulations. The Series Prospectus approved by the Central Bank will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus Regulations.

The Issuer is not, and will not be, regulated by the Central Bank by virtue of issuing the Notes. Any investment in the Notes does not have the status of a bank deposit and is not subject to the deposit protection scheme operated by the Central Bank.

NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, IS MADE BY THE JOINT LEAD MANAGERS AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION SET FORTH IN THIS SERIES PROSPECTUS OR THE SECTIONS OF THE BASE PROSPECTUS INCORPORATED BY REFERENCE HEREIN, AND NOTHING CONTAINED IN THIS SERIES PROSPECTUS OR THE BASE PROSPECTUS IS, OR SHALL BE RELIED UPON AS, A PROMISE OR REPRESENTATION, WHETHER AS TO THE PAST OR THE FUTURE. THE JOINT LEAD MANAGERS DO NOT ASSUME ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS SERIES PROSPECTUS OR THE SECTIONS OF THE BASE PROSPECTUS INCORPORATED BY REFERENCE HEREIN.

EACH PERSON CONTEMPLATING MAKING AN INVESTMENT IN ANY NOTES MUST MAKE ITS OWN INVESTIGATION AND ANALYSIS OF THE CREDITWORTHINESS OF THE ISSUER, GAZPROMBANK AND THE GROUP AND ITS OWN DETERMINATION OF THE SUITABILITY OF ANY SUCH INVESTMENT, WITH PARTICULAR REFERENCE TO ITS OWN INVESTMENT OBJECTIVES AND EXPERIENCE AND ANY OTHER FACTORS WHICH MAY BE RELEVANT TO IT IN CONNECTION WITH SUCH INVESTMENT.

THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE NOTES OR THE ACCURACY OR THE ADEQUACY OF THIS SERIES PROSPECTUS OR THE SECTIONS OF THE BASE PROSPECTUS INCORPORATED BY REFERENCE HEREIN. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

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RISK FACTORS

Investment in the Series 8 Notes involves a high degree of risk. Prospective Noteholders should carefully review this Series Prospectus (including the Base Prospectus) and, in particular, should consider carefully the risk factors set forth below and the other information contained in this Series Prospectus.

Attention is drawn particularly to the information under the heading “Risk Factors” on pages 15 to 43 (inclusive) of the Base Prospectus, which must be read in conjunction with the additional risk factors set out below.

Prospective Noteholders should note that the risks described under the heading “Risk Factors” on pages 15 to 43 (inclusive) of the Base Prospectus and those described below are not the only risks that Gazprombank and the Issuer face. These are the risks that Gazprombank and the Issuer currently consider to be material. There may be additional risks that Gazprombank and the Issuer currently consider to be immaterial or of which Gazprombank and the Issuer are currently unaware, and any of these risks could have similar effects to those set forth below. Prospective Noteholders should also read the detailed information set out elsewhere in this Series Prospectus and the Base Prospectus and reach their own views prior to making any investment decision.

Risks Relating to the Notes and Subordinated Loan

If the CBR does not qualify the Subordinated Loan as capital within 90 days after the date of Subordinated Loan Agreement, Gazprombank will have the right to prepay the loan and the Notes will be subject to early redemption.

Under the current bank capital regulations, the Subordinated Loan will be included into capital after the CBR approves it as eligible for inclusion into the regulatory capital of Gazprombank but not earlier than the full loan amount is transferred to Gazprombank, i.e. after the settlement date for the Notes.

If the CBR does not grant final approval in respect of the Subordinated Loan within 90 days after the date of the Subordinated Loan Agreement, Gazprombank will have the right to prepay the Subordinated Loan pursuant to Clause 5.2 of the Subordinated Loan Agreement, in which circumstances the Notes will be redeemed prior to their maturity date.

The Notes are a novel form of security and may not be a suitable investment for all investors.

The Notes are a novel form of security. As a result, an investment in the Notes will involve certain increased risks. Each potential investor in the Notes must determine the suitability of such investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Notes, such as the provisions governing optional deferral of interest or mandatory deferral of payments under the Subordinated Loan Agreement, and be familiar with the behaviour of any relevant financial markets and their potential impact on the likelihood of certain events under the Notes occurring; and

- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are novel and complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the knowledge and expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the likelihood of a deferral on the value of the Notes, and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light of their own financial circumstances and investment objectives, all the information contained in this Prospectus or incorporated by reference herein.

Gazprombank's obligations under the Subordinated Loan Agreement are subordinated.

The claims of the Issuer in respect of principal of, and interest on, the Subordinated Loan will:

- (a) be subordinated upon the occurrence of a Bankruptcy Event to the claims of Senior Creditors in accordance with the Federal Law "On Insolvency (Bankruptcy) of Credit Organisations" No. 40-FZ dated 25 February 1999 (as amended, replaced or superseded from time to time) (the "**Insolvency Law**"); and
- (b) be senior to the claims of holders of Gazprombank's Capital Stock in their capacity as Shareholders.

By virtue of this subordination, payments to the Issuer in respect of the Subordinated Loan will, in the case of a Bankruptcy Event, only be made after all payment obligations of Gazprombank ranking senior to the Subordinated Loan have been satisfied. Consequently, Gazprombank's assets will be available to satisfy its obligations under the Subordinated Loan Agreement only after the claims of all senior ranking creditors have been satisfied in full. Such remaining assets may not be sufficient to satisfy Gazprombank's obligations under the Subordinated Loan. There is a significant risk that an investor in Notes will lose all or some of its investment in the case of a bankruptcy or insolvent liquidation of Gazprombank.

In addition, by virtue of its execution of the Subordinated Loan Agreement, the Issuer shall be deemed to have waived any right of set-off, compensation or retention in respect of any amount owed to it by Gazprombank under or in connection with the Subordinated Loan Agreement.

The Subordinated Loan Agreement does not limit Gazprombank's ability, or the ability of any other entity in the Group, to incur additional indebtedness, including indebtedness that ranks senior to, or *pari passu* with, the Subordinated Loan in priority of payment.

As provided in the Trust Deed, so long as any Note remains outstanding, the Issuer, without the prior written consent of the Trustee, shall not, *inter alia*, incur any indebtedness for borrowed moneys other than the Notes, except that it may issue additional loan participation notes (with limited recourse to the Issuer) in the future for the sole purpose of financing loans to Gazprombank.

In each case, the incurrence of any such additional indebtedness may reduce the amount recoverable by Noteholders in the case of a bankruptcy or liquidation of Gazprombank. Gazprombank anticipates that, from time to time, it will incur additional indebtedness, including unsubordinated indebtedness.

Payments of principal or interest may be deferred.

The CBR has the right to require deferral of payments of principal of, and/or interest on, the Subordinated Loan by Gazprombank (whereupon Gazprombank shall be obliged to defer such payments) if the making of payments would give rise to any of the grounds for implementation of

measures for prevention of bankruptcy of credit organisations under the Insolvency Law (a “**Deferral Event**”). The amount of any deferred payment shall not become due and payable in respect of the Subordinated Loan until the earliest of (i) the seventh day after such notice of the cessation of the Deferral Event has been given by Gazprombank to the Issuer and the Trustee, (ii) the occurrence of any event as described in Clause 12.2 of the Subordinated Loan Agreement and (iii) any repayment in accordance with Clause 5 of the Subordinated Loan Agreement.

Interest may be cancelled and is non-cumulative.

Payment of interest under the Subordinated Loan on any such Interest Payment Date is at the sole discretion of Gazprombank. Gazprombank may (subject to the requirements set out in Clause 4.4.1 of the Subordinated Loan Agreement) elect to cancel all or any part of any payment of interest which is otherwise scheduled to be paid on such an Interest Payment Date. Gazprombank may make such election at its sole discretion and for any reason.

Any interest under the Subordinated Loan which is not paid on any Interest Payment Date as a result of the foregoing events is cancelled and shall not accumulate or be payable at any time thereafter. None of the Issuer, the Trustee or any Noteholder shall have any right to such cancelled interest amounts whether in a bankruptcy or dissolution of Gazprombank or otherwise, and such non-payment shall not constitute an event entitling the Issuer to accelerate the Subordinated Loan or an event of default.

However, in the event that Gazprombank pays dividends or makes other distribution(s) for the financial year in which interest was cancelled, Gazprombank will be required to make payment of the amounts, previously elected to be cancelled, within 5 business days of such dividend or distribution.

Restricted remedies.

The only remedies against Gazprombank available to the Issuer will be:

- (a) for recovery of amounts of principal or interest owing in respect of the Subordinated Loan, the institution of proceedings for the insolvency (bankruptcy) of Gazprombank and/or proving for such debt, and claim, in any consequent liquidation of Gazprombank;
- (b) upon the bankruptcy or liquidation of Gazprombank, the revocation of Gazprombank’s banking licence or any analogous event under Russian law, to take any actions in the manner and to the extent contemplated by the applicable law of the Russian Federation to prove for its debt and/or, to the extent applicable, commence liquidation or winding up proceedings of Gazprombank; or
- (c) to enforce any obligation, condition or provision binding on Gazprombank under this Agreement (other than any obligation for payment of any principal or interest in respect of the Subordinated Loan), to institute such other proceedings against Gazprombank as it may think fit, in each case, as more particularly set out in Clause 12 of the Subordinated Loan Agreement. In a bankruptcy of Gazprombank, however, the Issuer’s claim in respect of the Subordinated Loan would be subordinated to the claims of Senior Creditors. See “*Gazprombank’s obligations under the Subordinated Loan Agreement are subordinated*”.

Payments under the Notes are limited to the amount of certain payments received under the Subordinated Loan Agreement.

The Issuer is only obliged to make payments under the Notes to the Noteholders in an amount equal to sums of principal, interest and additional amounts (if any) actually received and retained (net of tax) by or for the account of the Issuer from Gazprombank pursuant to the Subordinated Loan Agreement, less any amounts in respect of the Reserved Rights. Consequently, if Gazprombank fails to meet its payment obligations under the Subordinated Loan Agreement in full or any such payment obligations are determined to be unenforceable in the Russian Federation, this will result in the

Noteholders receiving less than the scheduled amount of principal, interest and additional amounts (if any) on the relevant due date.

Bankruptcy Prevention Event.

The term "Bankruptcy Prevention Event" underlies the features described under "*Interest may be cancelled and is non-cumulative*" and "*Limited acceleration events and prepayment (redemption) rights*". It is defined in the Subordinated Loan Agreement to refer to any of the grounds for the implementation of measures for prevention of bankruptcy of credit organisations as provided by Federal Law No. 40-FZ "On Insolvency (Bankruptcy) of Credit Organisations" dated 25 February 1999, as amended (the "**Insolvency Law**").

It is possible that any future change in, or replacement of, the Insolvency Law could mean that the grounds that constitute the Bankruptcy Prevention Event may change (including that additional grounds are introduced). Accordingly, the operation of any such future legislation may have an adverse effect on the position of holders of the Notes.

Limited acceleration events and prepayment (redemption) rights.

The Notes are perpetual securities that have no scheduled repayment date. Holders of Notes have no ability to require Gazprombank to prepay the Subordinated Loan or the Issuer to redeem the Notes. Acceleration of Gazprombank's obligation to repay principal of, and any accrued interest on, the Subordinated Loan will only occur in the limited circumstances set out in Clause 12.2 of the Subordinated Loan Agreement. See "*Restricted remedies*".

Gazprombank has the option to prepay the Subordinated Loan in certain circumstances and, in each case, subject to certain conditions having been satisfied, as more particularly set out in Clauses 5.2 and 5.3 of the Subordinated Loan Agreement.

This means that Noteholders have no ability to cash in their investment in any Notes, except:

- (a) if Gazprombank exercises its right to either prepay or repay the Subordinated Loan, in which circumstances such Notes will be redeemed prior to their scheduled maturity date, or purchases such Notes;
- (b) if permitted following an Acceleration Event by proving for such debt, and claim, in respect of such Notes in any liquidation of Gazprombank;
- (c) by selling such Notes; or
- (d) at the scheduled maturity date for such Notes (but subject to such maturity date of the Subordinated Loan not having been extended and/or the Subordinated Loan not being substituted in accordance with Clause 7 of the Subordinated Loan Agreement and/or the Subordinated Loan not having been amended to become perpetual with the prior written consent of the CBR).

There can be no assurance that Noteholders will be able to reinvest the amount received upon any redemption of the Notes at a rate that will provide the same rate of return as their investment in the Notes.

Risks Relating to Gazprombank

The CBR regulations phasing in Basel III in Russia, if adopted in the format published for discussion and comments, can have a material negative impact on Gazprombank, its capital ratios and regulatory capital.

It should also be noted that the CBR has published for consultation a draft of new regulations in connection with the implementation of provisions of Basel III in Russia, with the indication from the CBR that they are considering such implementation over a period of time commencing during the

course of 2013. While such proposed regulations are at a preliminary stage of consultation and it is not clear whether they will be implemented in the form proposed or within such timeframe, it is possible that such an implementation of Basel III principles in Russia could have a materially negative effect on Gazprombank's capital ratios, including as a consequence of the potential accelerated amortization of the capital treatment of subordinated debt and the potential deduction of equity stakes Gazprombank holds on its balance sheet from the capital which may follow as a consequence of such implementation.

RECENT DEVELOPMENTS

On 28 August 2012, Standard & Poor's Credit Market Services Europe Limited (“**S&P**”) raised its credit ratings of Gazprombank to “BBB-/A-3” from “BB+/B” with a stable outlook.

S&P is established in the European Union and is registered under the Regulation (EC) No. 1060/2009, as amended (the “**CRA Regulation**”). As such, S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority (“**ESMA**”) on its website in accordance with the CRA Regulation. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation.

DOCUMENTS AND INFORMATION INCORPORATED BY REFERENCE

The provisions of the Base Prospectus shall be deemed to be incorporated into and form part of this Series Prospectus in their entirety, save that any statement contained in the Base Prospectus shall be deemed to be modified or superseded for the purpose of this Series Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Series Prospectus.

This Series Prospectus must be read in conjunction with the Base Prospectus and the other documents deemed to be incorporated by reference herein and full information on Gazprombank, the Issuer, the terms of the Subordinated Loan and the offer of the Notes is only available on the basis of the combination of the provisions set out within this document, the Base Prospectus and the other documents deemed to be incorporated by reference herein.

Copies of the Base Prospectus may be obtained from the website of the Irish Stock Exchange.

Terms used herein but not otherwise defined shall have the meanings given to them in the Base Prospectus. This Series Prospectus must be read in conjunction with the documents and information incorporated by reference herein. Each document incorporated herein by reference is current only as of the date of such document, and the incorporation by reference herein of such documents shall not create any implication that there has been no change in the Group's or the Issuer's affairs since the date thereof or that information contained therein is current as of any time subsequent to its date.

The following additional documents shall be incorporated by reference into and form part of this Series Prospectus:

- (a) Base Prospectus (http://www.ise.ie/debt_documents/Base%20Prospectus_a2d35f49-a94d-4d2d-a7d5-76f159aec4b0.pdf)
- (b) Base Prospectus Supplement dated 24 April 2012
(http://www.ise.ie/debt_documents/Supplements_351e64ba-3001-4da2-bda5-1b2e0bd599ad.pdf)
- (c) Base Prospectus Supplement dated 21 June 2012
(http://www.ise.ie/debt_documents/Supplements_fdb86abb-9c0e-4f54-b905-ed0694d441da.pdf)
- (d) Base Prospectus Supplement dated 27 June 2012
(http://www.ise.ie/debt_documents/Supplements_6c26a878-b2f0-4bb8-a038-4a270a00b2b2.pdf)
- (e) Base Prospectus Supplement dated 16 July 2012
(http://www.ise.ie/debt_documents/Supplements_521a5d82-293f-4c64-8996-76947535b513.pdf)
- (f) Base Prospectus Supplement dated 11 September 2012
(http://www.ise.ie/debt_documents/Financial%20Supplement_09b7280f-d4e7-49a5-a99b-d37194719200.pdf)
- (g) Base Prospectus Supplement dated 11 September 2012
(http://www.ise.ie/debt_documents/Supplements_419543ff-34b4-4fc2-886e-b635eb74a7e2.pdf)

TERMS AND CONDITIONS OF THE SERIES 8 NOTES

The following is the text of the Terms and Conditions of the Notes, which contain summaries of certain provisions of the Trust Deed (as defined below), and which (subject to completion and amendment in accordance with the provisions of Part A of the relevant Issue Terms) will be attached to the Notes in definitive form, if issued, and (subject to the provisions thereof) apply to the Global Notes representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Part A of the relevant Issue Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the Trust Deed and Part A of the relevant Issue Terms. Those definitions will be endorsed on the definitive Notes. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are constituted by, are subject to, and have the benefit of, a supplemental trust deed dated the Issue Date specified hereon (the “**Supplemental Trust Deed**”) supplemental to an amended and restated principal trust deed dated 22 September 2011, as may be further amended or supplemented from time to time (the “**Principal Trust Deed**”), each made between GPB Eurobond Finance PLC (the “**Issuer**”) and Citicorp Trustee Company Limited (the “**Trustee**”, which expression shall include any trustee or trustees for the time being under the Trust Deed) as trustee and successors thereof for the holders of the Notes (the “**Noteholders**”). The Principal Trust Deed and the Supplemental Trust Deed as modified from time to time in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto, as from time to time so modified, are together referred to as the “**Trust Deed**”.

The Issuer has authorised the creation, issue and sale of the Notes for the sole purpose of financing either a Senior Loan (if the status of the Loan is specified as “Senior” thereon) or a Subordinated Loan (if the status of the Loan is specified as “Subordinated” hereon and together with a Senior Loan, the “**Loans**”, and any one of them a “**Loan**”) to Gazprombank (Open Joint-stock Company) (“**Gazprombank**”) subject to, and in accordance with, either (i) in relation to a Senior Loan, an amended and restated facility agreement between the Issuer and Gazprombank dated 22 September 2011 (such facility agreement, the “**Facility Agreement**”) as amended and supplemented by a loan supplement to be dated the Trade Date (the “**Loan Supplement**” and, together with the Facility Agreement, the “**Senior Loan Agreement**”), or (ii) in relation to a Subordinated Loan, a subordinated loan agreement between the Issuer and Gazprombank to be entered into on the Trade Date (the “**Subordinated Loan Agreement**”). In these Terms and Conditions, “**Loan Agreement**” shall mean either (i) a Senior Loan Agreement (in respect of a Senior Loan) or (ii) a Subordinated Loan Agreement (in respect of a Subordinated Loan), as applicable.

In each case where amounts of principal, interest and additional amounts (if any) are stated herein or in the Trust Deed to be payable in respect of the Notes, the obligation of the Issuer to make any such payment shall constitute an obligation only to account to the Noteholders on each date upon which such amounts of principal, interest and increased and/or additional amounts (if any) are due in respect of the Notes, for an amount equivalent to sums of principal, interest and additional amounts (if any) actually received by or for the account of the Issuer from Gazprombank pursuant to the Loan Agreement less any amount in respect of Reserved Rights (as defined in the Trust Deed).

The Issuer has charged by way of first fixed charge in favour of the Trustee for the benefit of the Trustee and the Noteholders certain of its rights and interests as lender under the Loan Agreement and all its rights, title and interest in and to all sums of money deposited in the Account and the debts represented thereby, including interest from time to time earned on the Account, as security for its payment obligations in respect of the Notes and under the Trust Deed (the “**Charge**”), and has assigned absolutely to the Trustee certain other rights under the Loan Agreement (in each case other than the Reserved Rights) (together with the Charge, the “**Security Interests**”). In certain circumstances, the Trustee can (subject to it being indemnified and/or secured to its satisfaction) be

required by Noteholders holding at least one quarter of the principal amount of the Notes outstanding or by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders to exercise certain of its powers under the Trust Deed (including those arising in connection with the Security Interests).

The Notes have the benefit of, and payments in respect of the Notes will be made (subject to the receipt of the relevant funds from Gazprombank) pursuant to, an amended and restated paying agency agreement dated 22 September 2011 (as may be amended or supplemented from time to time, the “**Agency Agreement**”), and made between the Issuer and Citibank, N.A., London Branch as principal paying agent, registrar, transfer agent and calculation agent (the “**Principal Paying Agent**” and a “**Paying Agent**”, the “**Registrar**”, the “**Transfer Agent**” and the “**Calculation Agent**”), Gazprombank and the Trustee. References herein to principal paying agent, registrar, transfer agent or calculation agent, shall include any additional or successor principal paying agent, registrar, transfer agent or calculation agent.

Copies of the Trust Deed, the Loan Agreement, the Agency Agreement and the Issue Terms are available for inspection at the principal office of the Trustee and at the specified office of the Principal Paying Agent.

The statements contained in these Terms and Conditions include summaries or restatements of, and are subject to, the detailed provisions of the Trust Deed, the Loan Agreement, the Issue Terms, the Loan Supplement (where applicable) and the Agency Agreement. Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions thereof. Expressions used but not defined in these Terms and Conditions shall, if defined in the Trust Deed or the relevant Loan Agreement, have the meanings given to them there.

1. Status

The Notes constitute secured, limited recourse obligations of the Issuer. The sole purpose of the issue of the Notes is to provide the funds for the Issuer to finance the Loan. The Notes constitute the obligation of the Issuer to apply the proceeds from the issue of the Notes solely for financing the Loan and to account to the Noteholders for an amount equivalent to sums of principal, interest and increased and/or additional amounts (if any) actually received by or for the account of the Issuer pursuant to the Loan Agreement, less any amounts in respect of Reserved Rights.

The Trust Deed provides that, notwithstanding the other provisions hereof, payments in respect of the Notes equal to the sums actually received by or for the account of the Issuer (after deduction or withholding of such taxes or duties as may be required to be made by the Issuer by law in respect of such sum or in respect of the Notes and for which the Issuer has not received a corresponding payment (also after deduction or withholding of such taxes or duties as may be required to be made by the Issuer in respect thereof) pursuant to the Loan Agreement) by way of principal, interest or increased and/or additional amounts (if any) pursuant to the Loan Agreement, less any amounts in respect of Reserved Rights, will be made *pro rata* among all Noteholders, on the date of, and in the currency of, and subject to the conditions attaching to, the equivalent payment pursuant to the Loan Agreement. The Issuer shall not be liable to make any payment in respect of the Notes other than as expressly provided herein and in the Trust Deed. Neither the Issuer nor the Trustee shall be under any obligation to exercise in favour of the Noteholders any rights of set-off or of banker's lien or to combine accounts or counterclaim that may arise out of other transactions between the Issuer and Gazprombank.

Noteholders have notice of, and have accepted, these Terms and Conditions, the Issue Terms and the contents of the Trust Deed and the Loan Agreement, and have hereby accepted that:

- (a) neither the Issuer nor the Trustee makes any representation or warranty in respect of, or shall at any time have any responsibility for, or, save as otherwise expressly

provided in the Trust Deed or in Condition 1(f) below, liability or obligation in respect of the performance and observance by Gazprombank of its obligations under the Loan Agreement or the recoverability of any sum of principal or interest or any increased and/or additional amounts due or to become due from Gazprombank under the Loan Agreement;

- (b) neither the Issuer nor the Trustee shall at any time have any responsibility for, or obligation or liability in respect of, the financial condition, creditworthiness, affairs, status or nature of Gazprombank;
- (c) neither the Issuer nor the Trustee shall at any time be liable for any representation or warranty or any act, default or omission of Gazprombank under or in respect of the Loan Agreement;
- (d) neither the Issuer nor the Trustee shall at any time have any responsibility for, or liability or obligation in respect of, the performance and observance by the Paying Agents, the Registrar or Transfer Agent of their respective obligations under the Agency Agreement;
- (e) the financial servicing and performance of the terms of the Notes depend solely and exclusively upon performance by Gazprombank of its obligations under the Loan Agreement and its covenant to make payments under the Loan Agreement and its credit and financial standing. Gazprombank has represented and warranted to the Issuer that the Loan Agreement constitutes a legal, valid and binding obligation of Gazprombank;
- (f) the Issuer and the Trustee shall be entitled to rely on (i) Officer's Certificates (as defined in the Loan Agreement) and/or other certificate (whether or not addressed to the Issuer or the Trustee) from Gazprombank or procured by Gazprombank as to whether or not an Event of Default or Potential Event of Default (each as defined in the relevant Loan Agreement) has occurred and (ii) Officer's Certificates specifying the Material Subsidiaries (as defined in the Loan Agreement) of Gazprombank and shall not otherwise be required to or responsible for investigating any aspect of Gazprombank's performance in relation thereto and, subject as further provided in the Trust Deed, neither the Issuer as Lender under the Loan Agreement nor the Trustee will be liable for any failure to make the usual or any investigations which might be made by a lender or a security holder (as applicable) in relation to the Security Interests and held by way of security for the Notes, and shall not be bound to enquire into or be liable for any defect or failure in the right or title of the Issuer to the assigned property whether such defect or failure was known to the Trustee or might have been discovered upon examination or enquiry or whether capable of remedy or not, nor will it have any liability for the enforceability of the security created by the Security Interests whether as a result of any failure, omission or defect in registering or filing or otherwise protecting or perfecting such security and the Trustee has no responsibility for the value of such security; and
- (g) the Issuer will not be liable for any withholding or deduction or for any payment on account of tax (not being a tax imposed on the Issuer's net income) required to be made by the Issuer on or in relation to any sum received by it under the relevant Loan Agreement which will or may affect payments made or to be made by Gazprombank under the relevant Loan Agreement save to the extent that it has actually received additional amounts under the Loan Agreement in respect of such withholding or deduction or payment and the Issuer shall, furthermore, not be obliged to take any actions or measures as regards such deduction or withholding or payment, other than those set out in Clause 8.1 and Clause 8.2 of the Facility Agreement or in the equivalent provisions, if any, of the Subordinated Loan Agreement.

The obligations of the Issuer in respect of the Notes rank *pari passu* and rateably without any preference among themselves.

In respect of a Note issued under a Subordinated Series (as defined in the Trust Deed) only, the claims of the Issuer under the Loan Agreement constitute the direct, unconditional and unsecured subordinated obligations of Gazprombank and will rank at least *pari passu* with claims of other subordinated creditors of Gazprombank as more fully set out in the relevant Subordinated Loan Agreement.

In the event that the payments under the Loan Agreement are made by Gazprombank to, or to the order of, the Trustee or (subject to the provisions of the Trust Deed) the Principal Paying Agent, they will *pro tanto* satisfy the obligations of the Issuer in respect of the Notes.

Save as otherwise expressly provided herein and in the Trust Deed, no proprietary or other direct interest in the Issuer's rights under or in respect of the Loan Agreement, the Loan, the Account or the Charged Property (as defined in the Trust Deed) exist for the benefit of the Noteholders. Subject to the terms of the Trust Deed, no Noteholder will have any entitlement to enforce the Loan Agreement or direct recourse to Gazprombank except through action by the Trustee pursuant to the relevant Security Interests granted to the Trustee in the Trust Deed. Neither the Issuer nor, following the enforcement of the Security Interests created in the Trust Deed, the Trustee shall be required to take proceedings to enforce payment under the Loan Agreement unless it has been indemnified and/or secured by the Noteholders to its satisfaction.

The obligations of the Issuer under the Notes shall be solely to make payments of amounts in aggregate equal to each sum actually received by or for the account of the Issuer from Gazprombank in respect of principal, interest or, as the case may be, other amounts relating to the Loan pursuant to the Loan Agreement (less any amounts in respect of the Reserved Rights), the right to receive which will, *inter alia*, be assigned to the Trustee as security for the Issuer's payment obligations in respect of the Notes. Accordingly, all payments to be made by the Issuer under the Notes will be made only from and to the extent of such sums received or recovered by or on behalf of the Issuer or the Trustee (following a Relevant Event or (if applicable) an Event of Default). Noteholders shall look solely to such sums for payment to be made by the Issuer under the Notes, the obligation of the Issuer to make payments in respect of the Notes will be limited to such sums and Noteholders will have no further recourse to the Issuer or any of the Issuer's other assets in respect thereof. In the event that the amount due and payable by the Issuer under the Notes exceeds the sums so received or recovered, the right of any person to claim payment of any amount exceeding such sums shall be extinguished, and Noteholders may take no further action to recover such amounts.

None of the Noteholders or the other creditors (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, administration, moratorium, reorganisation, controlled management, arrangement, insolvency, examinership, winding-up or liquidation proceedings or similar insolvency proceedings under any applicable bankruptcy or similar law in connection with any obligation of the Issuer relating to the Notes or otherwise owed to the creditors for so long as the Notes are outstanding, save for lodging a claim in the liquidation of the Issuer which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer.

No Noteholder shall have any recourse against any director, shareholder, or officer of the Issuer in respect of any obligations, covenants or agreement entered into or made by the Issuer in respect of the Notes, except to the extent that any such person acts in bad faith or is negligent in the context of its obligations.

2. **Form, Denomination and Title**

The Notes will be issued in fully registered form, and in the Specified Denomination shown hereon or higher integral multiples thereof as specified in the relevant Issue Terms, without interest coupons, provided that the minimum Specified Denomination of any Notes shall be EUR100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

A Note issued under the Principal Trust Deed may be a Fixed Rate Note, a Floating Rate Note, a combination of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis specified hereon.

3. **Register, Title and Transfers**

The Registrar will maintain a register (the “**Register**”) in respect of the Notes in accordance with the provisions of the Agency Agreement. In these Conditions the “holder” of a Note means the person in whose name such Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and “Noteholder” shall be construed accordingly. A Note will be issued to each Noteholder in respect of its registered holding.

The holder of each Note shall (except as otherwise required by law) be treated as the absolute owner of such Note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Note relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Note) and no person shall be liable for so treating such holder.

A Note may be transferred upon surrender of the relevant Note, with the endorsed form of transfer duly completed, at the specified office of the Registrar or at the specified office of a Transfer Agent, together with such evidence as the Registrar or such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer, *provided, however*, that a Note may not be transferred unless the principal amount of Notes transferred and (where not all of the Notes held by a holder are being transferred) the principal amount of the balance of Notes not transferred are not less than the minimum Specified Denomination (if any). Where not all the Notes represented by the surrendered Note are the subject of the transfer, a new Note in respect of the balance of the Note will be issued to the transferor.

Subject to the last paragraph of this Condition, within five business days of the surrender of a Note in accordance with the immediately preceding paragraph above, the Registrar will register the transfer in question and deliver a new Note to each relevant holder at its specified office or (at the request and risk of such relevant holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant holder. In this paragraph, “business day” means a day on which commercial banks are open for business (including dealings in foreign currencies) in the city where the Registrar has its specified office.

The transfer of a Note will be effected without charge but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Notes.

4. **Restrictive Covenants**

As provided in the Trust Deed, so long as any of the Notes remains outstanding (as defined in the Trust Deed), the Issuer will not (and will not consent to any request of Gazprombank to), without the prior written consent of the Trustee and, in each preceding case, in respect of a Note issued under a Subordinated Series only (a “**Subordinated Note**”), the consent of the

Central Bank of Russia (the “**CBR**”) if applicable, agree to any amendments to or any modification or waiver of, or authorise any breach or proposed breach of, the terms of the Loan Agreement and will act at all times in accordance with any instructions of the Trustee from time to time with respect to the Loan Agreement, except as otherwise expressly provided in the Loan Agreement. Any such amendment, modification, waiver or authorisation made with the consent of the Trustee shall be binding on the Noteholders and, unless the Trustee agrees otherwise, any such amendment or modification shall be notified by the Issuer to the Noteholders in accordance with Condition 14.

5. Interest

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding principal amount from (and including) the Interest Commencement Date at the rate(s) per annum (expressed as a percentage) equal to the Rate(s) of Interest specified thereon which shall be equal to the rate per annum at which interest under the Loan accrues. Accordingly, on each Interest Payment Date or as soon thereafter as the same shall be received by the Issuer, the Issuer shall account to the Noteholders for an amount equivalent to amounts of interest actually received by or for the account of the Issuer under the Loan Agreement.

If a Fixed Coupon Amount is specified in the relevant Issue Terms, the amount of interest per Calculation Amount payable on each Interest Payment Date shall be an amount equal to the Fixed Coupon Amount, provided that if a Broken Amount is specified in the relevant Issue Terms as being payable on any Interest Payment Date, the amount of interest per Calculation Amount payable on such Interest Payment Date shall be an amount equal to the Broken Amount. If no Fixed Coupon Amount or Broken Amount is specified in the relevant Issue Terms, the amount of interest payable shall be determined in accordance with Condition 5(d).

- (b) **Interest on Floating Rate Notes:**

- (i) *Interest Payment Dates:* Each Floating Rate Note bears interest on its outstanding principal amount from (and including) the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest specified hereon, which shall be equal to the rate per annum at which interest under the Loan accrues, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date. Accordingly, on each such date or as soon thereafter as the same shall be received by the Issuer, the Issuer shall account to the Noteholders for an amount equivalent to amounts of interest under the Loan received by or for the account of the Issuer pursuant to the Loan Agreement.
- (ii) *Business Day Convention:* If any date referred to in these Terms and Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not

been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and as set out in the Loan Agreement.
- (c) **Accrual of Interest:** Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).
- (d) **Calculations:** Notwithstanding the fact that payments of any nature shall be made in the manner provided in Condition 1, the amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon and the Day Count Fraction for such Interest Accrual Period unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.
- (e) **Publication of Rates of Interest and Interest Amounts:** The Calculation Agent shall, as soon as practicable after calculating or determining the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date as set out in the Loan Agreement, cause such Rate of Interest and Interest Amounts to be notified to the Trustee, the Issuer, Gazprombank, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable as a consequence of amounts under the Loan Agreement becoming due and payable prior to the Repayment Date (as defined in the Loan Agreement), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to

be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (f) **Determination or Calculation by Trustee:** If the Calculation Agent does not at any time for any reason determine or calculate the Rate of Interest for an Interest Accrual Period or any Interest Amount pursuant to the Loan Agreement, the Trustee shall do so (or shall appoint an agent on its behalf to do so) and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. The Trustee shall incur no liability in respect of such determination or calculation.

Clause 4.4 of the Subordinated Loan Agreement provides that Gazprombank at its discretion may cancel all or part of any payment of interest that is scheduled to be paid on any interest payment date under the Subordinated Loan Agreement and, in such circumstances, subject to Clause 4.4.3 of the Subordinated Loan Agreement, the Issuer shall have no right to any such interest, whether in bankruptcy or dissolution of Gazprombank or otherwise. Consequently where interest is cancelled under the Subordinated Loan Agreement, no corresponding payment of interest will be made pursuant to the Notes. Furthermore, Clause 4.5 of the Subordinated Loan Agreement provides that the CBR has the right to require deferral of payments by Gazprombank of interest if the making of such payment would give rise to a Deferral Event (as defined in the Subordinated Loan Agreement), and upon such a deferral, no such interest will be paid pursuant to the Subordinated Loan Agreement (and consequently the Notes) until the earlier of (i) the cessation of the Deferral Event or upon the occurrence of (ii) any of the events set out in Clause 12.2 of the Subordinated Loan Agreement or on a repayment pursuant to Clause 5.

6. Redemption, Deferred Rights and Purchase

- (a) **No Fixed Redemption Date/Redemption on the Repayment Date:** The Notes have no fixed redemption date and may only be redeemed in accordance with the provisions of this Condition 6. On the Repayment Date (as defined in the Subordinated Loan Agreement), if Gazprombank has repaid the outstanding principal amount of the Subordinated Loan (together with any interest that has accrued to such date, if any), the Issuer will use the proceeds of repayment of the Subordinated Loan Agreement to make available to Gazprombank a further loan in a total aggregate amount equal to the outstanding principal amount of the Subordinated Loan immediately before the Repayment Date, on terms (including as to interest) no less favourable to the Issuer and the Noteholders than those in the Subordinated Loan Agreement, in accordance with Clause 7.2 of the Subordinated Loan Agreement (in which case the Notes will not be redeemed or repaid on the Repayment Date) unless Gazprombank has not exercised its option to require such a further loan under Clause 7.2 of the Subordinated Loan Agreement. If, on the Repayment Date (as defined in the Subordinated Loan Agreement) Gazprombank has repaid the outstanding principal amount of the Subordinated Loan (together with any interest that has accrued to such date, if any) and Gazprombank has not exercised its option under Clause 7.2 of the Subordinated Loan Agreement for such further loan to be extended then, unless the principal amount of the Subordinated Loan Agreement has been deferred pursuant to Clause 4.5 of the Subordinated Loan Agreement (in which case

the redemption of the Notes pursuant to this Condition will be deferred until the earlier of (a) cessation of the Deferral Event (as defined in the Subordinated Loan Agreement) and (b) the occurrence of any of the events set out in Clause 12.2 of the Subordinated Loan Agreement), all the Notes then remaining outstanding will on the Repayment Date, be redeemed or repaid by the Issuer in U.S. dollars on the Repayment Date at 100 per cent. of the principal amount thereof.

To the extent that there has been a Loan Substitution, all references to the “Subordinated Loan Agreement” in these Conditions shall be to the loan agreement that shall have been substituted for the Subordinated Loan Agreement, and these Conditions shall be construed accordingly. To the extent that Conditions previously referred to provisions of the Subordinated Loan Agreement prior to the Loan Substitution that no longer have any equivalent provision in the Subordinated Loan Agreement after the Loan Substitution, then such Conditions will cease to apply.

Clause 7.1 of the Subordinated Loan Agreement provides that Gazprombank may, at its option provided that it has both received the prior consent of the CBR has given at least 30 days’ prior written notice to the Trustee and the Issuer, elect to extend the Repayment Date of the Subordinated Loan and, upon any such election being made by Gazprombank pursuant to such Clause, the Repayment Date of the Subordinated Loan Agreement will be extended.

- (b) **Early Redemption:** If the Loan should become repayable in full (and be repaid in full) pursuant to the terms and conditions of the Loan Agreement prior to its Repayment Date, all Notes then remaining outstanding will thereupon become due and redeemable or repayable at their Early Redemption Amount (which, unless otherwise specified hereon is par together with interest accrued to the date of redemption) and the Issuer will endeavour to give not less than eight days’ notice thereof to the Trustee and the Noteholders in accordance with Condition 14.

To the extent that the Issuer receives amounts of principal, interest or other amounts (other than amounts in respect of the Reserved Rights) following acceleration and/or enforcement of the Loan (as the case may be), the Issuer shall pay an amount equal to and in the same currency as such amounts on the business day following receipt of such amounts, subject as provided in Condition 7.

- (c) **Deferral Rights:** To the extent that the relevant Subordinated Loan Agreement in respect of Notes under a Subordinated Series contains provisions providing for the deferral by the CBR of the payment of the principal of and/or interest which is due and payable by Gazprombank under the relevant Loan and pursuant to such provision the principal or interest is at any time up to and including the Repayment Date so deferred then any payment under such Notes in respect of such deferred principal and/or interest shall also be deferred until such time as the deferral of such amounts ceases under the relevant Subordinated Loan Agreement and payments in respect thereof are actually received by or for the account of the Issuer pursuant to the relevant Subordinated Loan Agreement, unless pursuant to the terms of the relevant subordinated loan agreement any such deferred interest is cancelled, in which case no such payment in respect of cancelled interest will be due under the notes.
- (d) **Purchase:** The Facility Agreement provides that Gazprombank or any wholly-owned Subsidiary of Gazprombank may, among other things, purchase Notes of a Senior Series (as defined in the Trust Deed) from time to time in the open market or by tender or by private agreement at any price and may deliver to the Issuer such Notes, having an aggregate principal value of at least U.S.\$1,000,000 (or the equivalent in other currencies) together with a request for the Issuer to redeem and hereafter cancel such Notes, whereupon the Issuer shall, pursuant to the Agency Agreement, instruct

the Registrar to cancel such Notes. This Condition 6(d) will not apply to Notes issued under a Subordinated Series.

7. Payments and Agents

Payments of principal shall be made against presentation and surrender of the relevant Notes at the specified office of any Transfer Agent or of the Registrar and in the manner provided in the paragraph below.

Interest shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the “**Record Date**”). Payments of interest shall be made in the Specified Currency by cheque drawn on a bank in the principal financial centre for the Specified Currency or, in the case of euro, in a city in which banks have access to the TARGET System (a “**Bank**”) and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank, or by transfer to an account in the Specified Currency maintained by the payee with, a Bank in the principal financial centre of such Specified Currency or in the case of euro, a Bank specified by the payee or at the option of the payee, by a euro-cheque and (in the case of interest payable on redemption) upon surrender of the relevant Notes at the specified office of the Registrar or any Transfer Agent.

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 8. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

If the due date for payments of interest or principal is not a business day, a Noteholder shall not be entitled to payment of the amount due until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Financial Centres**” hereon, and (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) (in the case of a payment in euro) which is a business day on which the TARGET system is operating.

The name of the initial Paying Agents and their initial specified offices are set out below. The Agency Agreement provides that the Issuer may at any time, with the prior written approval of the Trustee, vary or terminate the appointment of any of the Paying Agents, and appoint additional or other paying agents provided that (i) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will be a Paying Agent and Transfer Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority and (ii) there will be a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to or any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26–27 November 2000. Any such variation, termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than 45 days’ and not less than 30 days’ notice thereof shall have been given to the Noteholders in accordance with Condition 14.

In addition, if the due date for redemption or repayment of a Note is not an Interest Payment Date, interest accrued from the preceding Interest Payment Date or, as the case may be, from

the Issue Date as specified hereon shall be payable only as and when actually received by or for the account of the Issuer pursuant to the Loan Agreement.

Save as otherwise directed by the Trustee at any time after any of the Security Interests created in the Trust Deed becomes enforceable, the Issuer will, pursuant to Clause 7 of the Agency Agreement require Gazprombank to make all payments of principal and interest to be made pursuant to the Loan Agreement to the Principal Paying Agent to an account in the name of the Issuer (the “**Account**”). Under the Charge, the Issuer will charge by way of first fixed charge all the rights, title and interest in and to all sums of money then or in the future deposited in the Account in favour of the Trustee for the benefit of the Noteholders.

8. **Taxation**

All payments in respect of the Notes by or on behalf of the Issuer will be made without deduction or withholding for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Russian Federation or Ireland or any authority thereof or therein having the power to tax, unless the deduction or withholding of such taxes or duties is required by law.

In such event, the Issuer shall pay such additional payments (“**additional amounts**”) as shall result in the receipt by the Noteholders of such amount as would have been received by them if no such withholding or deduction had been required but only to the extent and only at such time as the Issuer receives an equivalent amount from Gazprombank under the Loan Agreement. To the extent that the Issuer receives a lesser amount from Gazprombank, the Issuer will account to each Noteholder for an additional amount equivalent to a pro rata proportion of such amount (if any) as is actually received (after deduction or withholding of such taxes or duties as may be required to be made by the Issuer by law in respect of the Notes) by, or for the account of, the Issuer pursuant to the Loan Agreement on the date of, in the currency of, and subject to any conditions attaching to the payment of such amount to the Issuer provided that no such additional amount will be payable in respect of any Note:

- (a) to a Noteholder who (i) is able to avoid such deduction or withholding by satisfying any statutory requirements or by making a declaration of non-residence or other claim for exemption to the relevant tax authority or (ii) is liable for such taxes or duties by reason of his having some connection with the Russian Federation or Ireland other than the mere holding of such Note or the receipt of payments in respect thereof;
- (b) in respect of a Note presented for payment of principal more than 30 days after the Relevant Date except to the extent that such additional payment would have been payable if such Note had been presented for payment on such 30th day;
- (c) where such withholding or deduction is imposed on a payment to an individual or a residual entity within the meaning of the European Council Directive 2003/48/EC and is required to be made pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (d) in respect of a Note presented for payment by or on behalf of a Noteholder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a Member State of the European Union.

As used herein, “**Relevant Date**” (i) means the date on which any payment under the Loan Agreement first becomes due but (ii) if the full amount payable by Gazprombank has not been received by, or for the account of, the Issuer pursuant to the Loan Agreement on or prior to such date, it means the date on which such moneys shall have been so received and notice to

that effect shall have been duly given to the Noteholders by or on behalf of the Issuer in accordance with Condition 14.

Any reference herein or in the Trust Deed to payments in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable in accordance with the Trust Deed and this Condition 8 or any undertaking given in addition thereto or in substitution therefor pursuant to the Trust Deed.

9. Enforcement

Subject to the non-petition covenant contained herein, the Trust Deed provides that only the Trustee may pursue the remedies under general law, the Trust Deed or the Notes to enforce the rights of the Noteholders and no Noteholder will be entitled to pursue such remedies unless the Trustee (having become bound to do so in accordance with the terms of the Trust Deed) fails or neglects to do so within a reasonable period and such failure or neglect is continuing.

At any time after the occurrence of an Event of Default ((a) in the case of an Event of Default in respect of a Senior Note, as defined in the Facility Agreement; and (b) in the case of an Acceleration Event in respect of a Subordinated Note, as defined in the Subordinated Loan Agreement) or of a Relevant Event (as defined in the Trust Deed), the Trustee may, at its discretion and without notice and shall, if requested to do so by Noteholders owning 25 per cent. in aggregate principal amount of the Notes outstanding, or if directed to do so by an Extraordinary Resolution and, in either case, subject to it being secured and/or indemnified to its satisfaction, (i) (in the case of an Event of Default in respect of a Senior Note only) declare all amounts payable under the relevant Loan Agreement by Gazprombank to be due and payable, (ii) (in the case of an Acceleration Event in respect of a Subordinated Note only) take the action permitted to be taken by the Issuer under the relevant Loan Agreement, or (iii) (in the case of a Relevant Event) exercise any rights under the Security Interests created in the Trust Deed in favour of the Trustee. Upon repayment of the Loan following an Event of Default and a declaration as provided herein, the Notes will be redeemed or repaid at their principal amount together with interest accrued to the date fixed for redemption and thereupon shall cease to be outstanding.

10. Meetings of Noteholders; Modification of Notes, Trust Deed and Loan Agreement; Waiver; Substitution of the Issuer; Appointment/Removal of Trustees

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including any modification of, or any arrangement in respect of, the Notes, the Loan Agreement or the Trust Deed. Noteholders will vote according to the principal amount of their Notes. Special quorum provisions apply for meetings of Noteholders convened for the purpose of amending certain terms concerning, *inter alia*, the amount payable on, and the currency of payment in respect of, the Notes and the amounts payable and the currency of payment under the Loan Agreement. Any resolution duly passed at a meeting of Noteholders will be binding on all the Noteholders, whether present or not.

The Trustee may agree, without the consent of the Noteholders, to any modification of the Notes, the Trust Deed and the Loan Agreement which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or is not materially prejudicial to the interests of the Noteholders.

The Trustee may also waive or authorise or agree to the waiving or authorising of any breach or proposed breach by the Issuer of the Terms and Conditions of the Notes or the Trust Deed or by Gazprombank of the terms of the Loan Agreement, or determine that any event which would or might otherwise give rise to a right of acceleration under the Loan Agreement shall not be treated as such, if, in the opinion of the Trustee, to do so would not be materially prejudicial to the interests of the Noteholders. Any such modification, waiver or authorisation

shall be binding on the Noteholders and, unless the Trustee agrees otherwise, any such modification shall be promptly notified to the Noteholders.

The Trust Deed contains provisions to the effect that the Issuer may, having obtained the consent of Gazprombank (if such substitution is not to be made at the request of Gazprombank) and the Trustee (which latter consent may be given without the consent of the Noteholders) and having complied with such reasonable requirements as the Trustee may direct in the interests of the Noteholders, substitute any entity in place of the Issuer as issuer and principal obligor in respect of the Notes and as principal obligor under the Trust Deed and as party to the Loan Agreement, subject to the relevant provisions of the Trust Deed and the substitute's rights under the Loan Agreement being charged and assigned to the Trustee as security for the payment obligations of the substitute obligor under the Trust Deed and the Notes.

In connection with the exercise of any of its powers, trusts, authorities or discretions, the Trustee shall have regard to the interests of the Noteholders as a class and, in particular, shall not have regard to the consequences of such exercise for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. No Noteholder is entitled to claim from the Issuer or the Trustee any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

The Trust Deed contains provision for the appointment or removal of a Trustee by a meeting of Noteholders passing an extraordinary resolution, provided that, in the case of the removal of a Trustee, at all times there remains a trustee in office after such removal. Any appointment or removal of a Trustee shall be notified to the Noteholders in accordance with Condition 14. The Trustee may also resign such appointment by giving not less than three months' notice to the Noteholders provided that such retirement shall not become effective unless there remains a trustee in office after such retirement.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 90 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

11. Prescription

Notes will become void unless presented for payment within 10 years (in the case of principal) or five years (in the case of interest) from the due date for payment in respect thereof.

12. Indemnification of Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce payment unless indemnified and/or secured to its satisfaction. The Trustee is entitled to enter into contracts or transactions with the Issuer and/or Gazprombank and any entity related to the Issuer and/or Gazprombank without accounting for any profit, fees, corresponding interest, discounts or share of brokerage earned, arising or resulting from any such contract or transactions.

There is an existing issue of notes being the U.S.\$1,000,000,000 6.5 per cent. Loan Participation Notes due 2015 (the "**2005 Notes**") constituted by a trust deed dated 23 September 2005 (the "**2005 Trust Deed**") between the Issuer and the Trustee. In the Trust Deed, the Trustee has agreed in its capacity as Trustee of the Notes with itself in its capacity as trustee of the 2005 Notes, that the Trustee of the Notes will not take any action or bring

any proceedings to challenge the validity, enforceability or effectiveness of the 2005 Notes and matters relating thereto as set out in the 2005 Trust Deed, or to challenge the validity, enforceability or effectiveness of provisions of the Notes and the Trust Deed that limit the rights of the Trustee and the Noteholders to receive payments from the Issuer only insofar as the same are received from Gazprombank under the Loan Agreement.

The Trustee's responsibilities are solely those of trustee for the Noteholders on the terms of the Trust Deed. Accordingly, the Trustee makes no representations and assumes no responsibility for the validity or enforceability of the Loan Agreement or the security created in respect thereof or for the performance by the Issuer of its obligations under or in respect of the Notes and the Trust Deed or for the performance by Gazprombank of its obligations under or in respect of the Loan Agreement. The Trustee has no liability to Noteholders for any shortfall arising from the Trustee being subject to tax as a result of the Trustee holding or realising the Security Interests.

13. Replacement of Notes

If any Note shall become mutilated, defaced, lost, stolen or destroyed it may, subject to all applicable laws and regulations and stock exchange requirements, be replaced at the specified office of the Registrar on payment of such costs, expenses, taxes and duties as may be incurred in connection therewith and on such terms as to evidence, security and indemnity and otherwise as may reasonably be required by or on behalf of the Issuer or the Trustee. Mutilated or defaced Notes must be surrendered before replacements will be issued.

The Trustee is entitled to accept as sufficient evidence of any fact or matter or the expediency of any transaction or thing a certificate signed on behalf of the Issuer or Gazprombank by a director or an authorised signatory of the Issuer or Gazprombank as to any fact or matter upon which the Trustee may, in the exercise of any of its trusts, duties, powers, authorities, rights and discretions under the Trust Deed, require to be satisfied or have information, or to the effect that in the opinion of the person so certifying any particular transaction or thing is expedient, and the Trustee shall not be bound in any such case to call for further evidence or be responsible for any loss that may be occasioned by the Trustee acting on such certificate.

14. Notices

All notices to the Noteholders shall be deemed to have been duly given if (i) posted to such holders at their respective addresses as are shown on the Register and (ii) so long as the Notes are listed on the Irish Stock Exchange and the rules of that exchange so require, published in accordance with the listing rules of the Irish Stock Exchange. Any such notice shall be deemed to have been given on the first date on which both conditions shall have been met.

In case by reason of any other cause it shall be impracticable to publish any notice to holders of Notes as provided above, then such notification to such holders as shall be given with the approval of the Trustee shall constitute sufficient notice to such holders for every purpose hereunder.

15. Further Issues

The Issuer may from time to time, without the consent of the Noteholders, create and issue further Notes or bonds either ranking *pari passu* with the Notes of any series in all respects (or in all respects except for the amount and the date of the first payment of interest on the further notes) so as to be consolidated and form a single series with the notes or bonds of any series of the Issuer (including the Notes) or upon such other terms as the Issuer may determine at the time of their issue. In relation to any further issue which is to form a single series with the Notes, (i) the Issuer will enter into a loan agreement, supplemental to the Loan Agreement, with Gazprombank on substantially the same terms as the Loan Agreement (or in all respects except for the amount and date of the first payment of interest on the further

Loan) or amend and restate the Loan Agreement, in each case subject to any modifications, which in the sole opinion of the Trustee, only relate to Reserved Rights or would otherwise not materially prejudice the interests of the Noteholders and (ii) the Security Interests granted in respect of the Notes of a particular series will be amended or supplemented to secure amounts due on the Notes of a particular series and such further Notes. Any further notes or bonds forming a single series with the outstanding notes or bonds of any series of the Issuer (including the Notes) constituted by the Trust Deed will, and any other notes or bonds of the Issuer may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of Noteholders and the holders of notes or bonds of other series in certain circumstances where the Trustee so decides.

16. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

17. Governing Law

The Notes, these Conditions, the Agency Agreement, the Trust Deed and any non-contractual obligations arising out of or in connection with them shall be governed by and construed in accordance with English law. The Issuer has submitted in the Trust Deed to the jurisdiction of the courts of England and has appointed an agent for the service of process in England.

FORM OF ISSUE TERMS

Issue Terms dated 24 October 2012

GAZPROMBANK (OPEN JOINT-STOCK COMPANY)

Issue of perpetual callable U.S.\$1,000,000,000 7.875 per cent. Loan Participation Notes (the “**Notes**”) by GPB Eurobond Finance plc (the “**Issuer**”) under the U.S.\$10,000,000,000 Programme for the Issuance of Loan Participation Notes for the purpose of financing a subordinated loan to Gazprombank (Open Joint-stock Company) (“**Gazprombank**”)

PART A—CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the “**Conditions**”) set forth in the Base Prospectus dated 23 April 2012 and the Base Prospectus supplements dated 24 April 2012, 21 June 2012, 27 June 2012, 16 July 2012 and 11 September 2012 (when two Base Prospectus supplements were issued), respectively, and incorporated by reference in relation to the Notes only into a Series Prospectus dated 24 October 2012 (the “**Series Prospectus**”) which constitutes a prospectus for the purposes of the Prospectus Directive. These Issue Terms of the Notes modify and complete the Conditions in relation to the Notes only. References in the Conditions to “Notes” shall be deemed to be references to the Notes for the purposes of these Issue Terms of the Notes.

- | | | |
|-----|--|---|
| 1. | Issuer: | GPB Eurobond Finance PLC |
| 2. | Series Number: | 8 |
| 3. | Specified Currency: | United States Dollars (U.S.\$) |
| 4. | Aggregate Nominal Amount of Notes admitted to Trading: | U.S.\$1,000,000,000 |
| 5. | Issue Price: | 100 per cent. of the aggregate principal amount of the Notes |
| 6. | (i) Specified Denominations: | U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof |
| | (ii) Calculation Amount: | U.S.\$1,000 |
| 7. | (i) Trade Date: | 19 October 2012 |
| | (ii) Issue Date: | 25 October 2012 |
| | (iii) Interest Commencement Date: | 25 October 2012 |
| 8. | Maturity Date: | The Notes are perpetual and have no fixed maturity date |
| 9. | Interest Basis: | 7.875 per cent. Fixed Rate |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest or Redemption/Payment Basis: | Not Applicable |
| 12. | (i) Status of the Notes: | Senior |
| | (ii) Status of the Loan: | Subordinated |

- | | | |
|------------|---|--|
| (iii) | Date of Board approval for issuance of Notes obtained | The issue of the Notes was approved by the Board of Directors of the Issuer on 23 October 2012 |
| 13. | Method of distribution: | Syndicated |
| 14. | Financial Centres (Condition 7): | Dublin, Moscow, New York and London |

PROVISIONS RELATING TO INTEREST PAYABLE UNDER THE LOAN

- | | | |
|------------|--|--|
| 15. | Fixed Rate Note Provisions: | Applicable |
| (i) | Rate of Interest: | 7.875 per cent. per annum payable semi-annually in arrear. |
| (ii) | Interest Payment Date(s): | 25 April and 25 October in each year |
| (iii) | First Interest Payment Date: | 25 April 2013 |
| (iv) | Fixed Coupon Amount: | U.S.\$39.375 on each Interest Payment Date per Calculation Amount. |
| (v) | Broken Amount: | Not Applicable |
| (vi) | Day Count Fraction (Condition 5): | 30/360 |
| (vii) | Determination Date(s) (Condition 5): | Interest Payment Dates |
| (viii) | Other terms relating to the method of calculating interest for Fixed Rate Notes: | Not Applicable |
| 16. | Floating Rate Note Provisions: | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- | | | |
|------------|--------------------|------------------|
| 19. | Form of the Notes: | Registered Notes |
| 20. | Other issue terms: | Not Applicable |

DISTRIBUTION

- | | | |
|------------|---------------------------------------|--|
| 21. | (i) If syndicated, names of Managers: | Credit Suisse Securities (Europe) Limited, Goldman Sachs International, GPB Financial Services Ltd. and HSBC Bank plc, |
| | (ii) Stabilising (if any): | Goldman Sachs International |
| 22. | If non-syndicated, name of Dealer: | Not Applicable |

23. Additional selling restrictions: Not Applicable

GENERAL

24. Additional steps that may only be taken following approval by an Extraordinary Resolution in accordance with Condition 10: Not Applicable
25. The aggregate principal amount of Notes issued has been translated into U.S. dollars (for Notes not denominated in U.S. dollars): Not Applicable

RESPONSIBILITY

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

PART B – OTHER INFORMATION

LISTING

- (i) Listing: Irish Stock Exchange
- (ii) Admission to trading: Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its regulated market with effect from 25 October 2012.
- (iii) Estimate of total expenses related to admission to trading: EUR2,541.20

RATINGS

Ratings: The Programme is rated Baa3 by Moody's Investors Service Ltd.

Moody's Investors Service Ltd. is established in the EU and registered under Regulation (EC) No. 1060/2009 (the "**CRA Regulation**").

The Notes are unrated.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

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

REASONS FOR THE OFFER, ESTIMATED PROCEEDS AND TOTAL EXPENSES

- | | | |
|-------|---|---|
| (i) | Reasons for the offer | See “ <i>Use of Proceeds</i> ” in the Base Prospectus |
| (ii) | Estimated proceeds: | U.S.\$1,000,000,000 |
| (iii) | Estimated total commissions and expenses: | U.S.\$14,159,133.56 |

Gazprombank has agreed to pay to the Joint Lead Managers a combined management and underwriting commission in connection with the issuance of the Notes. Subject to compliance with applicable laws, the Joint Lead Managers may, at their sole discretion, agree to rebate a portion of their commission to certain investors up to a maximum of 0.5% of the Issue Price.

Fixed Rate Notes only – YIELD

Indication of yield:	7.875 per cent. per annum
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The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

OPERATIONAL INFORMATION

ISIN:	XS0848137708
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Common number:	084813770
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Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, <i>société anonyme</i> and the relevant identification number(s):	Not Applicable
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Delivery:	Delivery against payment
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Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
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SUBORDINATED LOAN AGREEMENT

This Subordinated Loan Agreement is made on 24 October 2012 **between:**

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

Whereas:

- (A) The Lender has at the request of Gazprombank agreed to make available to Gazprombank an unsecured subordinated deferrable loan facility in the amount of U.S.\$1,000,000,000 (the “**Loan**”) under the U.S.\$10,000,000 programme for the issuance of loan participation notes to be issued by, but with limited recourse to, the Lender for the purpose of financing loans to Gazprombank (the “**Programme**”) and on the terms and subject to the conditions of this Agreement.
- (B) The Lender and Gazprombank have agreed that, on the occurrence of a Bankruptcy Event (as defined below), the claims of the Lender in respect of the Loan (as defined below) shall be subordinated to the claims of Senior Creditors (as defined below) of Gazprombank in accordance with the Insolvency Law (as defined below).
- (C) Gazprombank intends the Loan to be qualified as Tier 2 Capital (as defined below) within the meaning of paragraph two of Section 3.11.1 of Regulation No. 215-P (as defined below).
- (D) The Lender and Gazprombank have agreed that the terms and conditions set forth in this Agreement, including the Interest Rate (as defined below) payable, subject as set out herein, in respect of the Loan, do not differ materially from the terms and conditions of similar agreements concluded on market terms as of the date of this Agreement.

Now it is hereby agreed as follows:

1. Definitions and Interpretation

1.1 Definitions

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

“**Acceleration Event**” has the meaning assigned to such term in sub-Clause 12.3 hereof.

“**Account**” means the account in the name of the Lender (account number 11651927), with the Principal Paying Agent (Correspondent Bank: Citibank, N.A. New York; SWIFT: CITIUS33; Beneficiary Bank: Citibank, N.A. London; SWIFT: CITIGB2L; A/C NAME: GPB Eurobond Finance Series 8).

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

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

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

“Approval Date” means the date falling 90 days after the Closing Date.

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

“Bankruptcy Prevention Event” means the occurrence of any of the grounds for implementation of measures for prevention of bankruptcy of credit organisations as provided in the Insolvency Law.

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

“Benchmark Treasury” means actively traded U.S. Treasury securities with maturity on or closest to (i) in the case of the Interest Rate from the Closing Date, the date that falls five years and six months after the Closing Date, and (ii) in respect of the Interest Rate from any Reset Date, five years after the respective Reset Date, in each case as selected by the Principal Paying Agent.

“Bilateral Contract” means any Currency Protection Agreement or Interest Rate Protection Agreement.

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

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

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

“CBR Refinancing Rate” means the refinancing rate established by the decision of the Board of Directors of the CBR from time to time in accordance with Article 18 of the Federal Law “On the Central Bank of the Russian Federation (Bank of Russia)” No.86-FZ dated 10 July 2002 (as amended, replaced or superseded from time to time).

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

“Closing Date” means 25 October 2012.

“Compulsory Interest Payment Date” means any Interest Payment Date in respect of which during the immediately preceding 6 months a Compulsory Interest Payment Event has occurred.

“Compulsory Interest Payment Event” means:

- (i) any declaration, payment or making of a dividend or distribution by Gazprombank to holders of its Ordinary Shares or otherwise on any Capital Stock; or
- (ii) Gazprombank or the Group, directly or indirectly, redeeming, purchasing or otherwise acquiring any of Gazprombank’s Ordinary Shares or any of its Capital Stock, other than in relation to (1) transactions in securities effected by or for the account of customers of Gazprombank or any of its Subsidiaries or in connection with the distribution or trading of, or market making in respect of, Ordinary Shares; or (2) the satisfaction by Gazprombank or any of its Subsidiaries of its obligations under any employee benefit plans or similar arrangements with or for the benefit of employees, officers, directors or consultants; or (3) a reclassification of the Capital Stock of Gazprombank or any of its Subsidiaries or the exchange or conversion of one class or series of such Capital Stock for another class or series of such Capital Stock; or (4) a restructuring of its loans to borrowers, any takeover or merger agreement or the purchase of fractional interests in shares of the Capital Stock of Gazprombank or any of its majority-owned subsidiaries pursuant to the provisions of any security being converted into or exchanged for such Capital Stock; or (5) mandatory provisions of Russian law and directives applicable to Gazprombank or the Group adopted by the Government other than in its capacity as a shareholder of Gazprombank.

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

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

“Deferred Payments” has the meaning given to such term in Clause 4.5.

“Final Conclusion” means the final conclusion (*zaklucheniye*) of the CBR confirming the final unconditional approval by the CBR of this Agreement and the Loan as a subordinated loan eligible for inclusion into Tier 2 Capital of Gazprombank within the meaning of paragraph two of Section 3.11.1 of Regulation No. 215-P (the **“Upper Tier 2 Capital”**).

“Gazprombank Account” means the account in the name of the Borrower (account number 400 921 413), with JPMorgan Chase Bank National Association, New York (SWIFT: CHASUS33).

“Group” means Gazprombank and its Subsidiaries taken as a whole.

“Indebtedness” means any indebtedness of any person for or in respect of:

- (i) moneys borrowed or raised;
- (ii) amounts raised by acceptance under any acceptance credit facility;
- (iii) amounts raised under any note purchase facility or the issue of bonds, notes, debentures, loan stock or similar instruments;
- (iv) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;

- (v) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 30 days; or
- (vi) amounts raised under any other transaction (including, without limitation, under any Repurchase Agreement, any forward sale and any purchase agreement) having the commercial effect of a borrowing,

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

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

“Initial Credit Margin” means 710.1 basis points, being the margin set originally on or around the Closing Date which shall remain unchanged until the Loan is either prepaid or repaid.

“Interest Determination Date” means the second Business Day immediately preceding each Reset Date.

“Interest Payment Date” means 25 April and 25 October of each year, commencing on 25 April 2013.

“Interest Period” means each period beginning on (and including) the Closing Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date.

“Interest Rate” means the rate per annum (as reported in writing to the Lender and Gazprombank by the Principal Paying Agent (and rounded, if necessary, to the third decimal place (0.0005 being rounded upwards))) which is the aggregate of (a) the relevant Treasury Rate and (b) the Initial Credit Margin.

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

“Lead Managers” means Credit Suisse Securities (Europe) Limited, Goldman Sachs International, GPB-Financial Services Ltd. and HSBC Bank plc.

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

“Material Subsidiary” at any time means a Subsidiary of Gazprombank:

- (i) where Gazprombank’s and its other Subsidiaries’ investments in and advances to such Subsidiary exceed 10 per cent. of the consolidated total assets of Gazprombank all as calculated by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited IFRS consolidated accounts of Gazprombank; or
- (ii) whose profit before tax attributable to Gazprombank (which, for the avoidance of doubt, is not limited to profits before tax derived only from any activities between such Subsidiary and Gazprombank and which shall be consolidated in the case of a Subsidiary which itself has Subsidiaries) represents not less than 10 per cent. of the

consolidated profit before tax of Gazprombank, as calculated by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited IFRS consolidated accounts of Gazprombank; or

- (iii) whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 10 per cent. of the consolidated total assets of Gazprombank, as calculated by reference to the then latest audited accounts (consolidated or, as the case may be, unconsolidated) of such Subsidiary and the then latest audited IFRS consolidated accounts of Gazprombank; or
- (iv) to which is transferred the whole or substantially the whole of the undertaking and assets of a Subsidiary of Gazprombank which immediately before the transfer was a Material Subsidiary.

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

“Notes” means perpetual callable U.S.\$1,000,000,000 7.875 per cent. loan participation notes proposed to be issued by the Lender pursuant to the Principal Trust Deed as supplemented by the Supplemental Trust Deed.

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

“Opinion of Counsel” means a written opinion from international legal counsel that is acceptable to the Lender.

“Optional Interest Payment Date” means any Interest Payment Date other than a Compulsory Interest Payment Date.

“Ordinary Shares” means issued and outstanding ordinary shares of Gazprombank.

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

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

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

“Prepayment Date” means 25 April 2018 the date which is five years and six months after the Closing Date, and(or) any Interest Payment Date falling thereafter.

“Principal Paying Agent” means Citibank, N.A., London Branch.

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

“Ratings Agency” denotes Standard & Poor’s Credit Market Services Europe Limited.

“Ratings Event” will occur if the Borrower has been notified by the Ratings Agency, or has become aware following a publication by the Ratings Agency of a change in its assessment criteria, that the Loan will no longer be eligible for the same or higher category of “equity credit” (or such similar nomenclature as is being used by the Ratings Agency at the relevant

time) as was initially attributed to the Loan by the Ratings Agency at the Closing Date, as notified from time to time to the Borrower by the Ratings Agency.

“**Reset Date**” means (i) in respect of the first Reset Date, the date which is five years and six months after the Closing Date, and (ii) in respect of any subsequent Reset Date, each date that falls on the fifth anniversary of the preceding Reset Date (or if such date is not a Business Day, then the next Business Day following such date).

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

“**Relevant Accounts**” means Gazprombank’s most recent unconsolidated financial statements prepared in accordance with Russian Accounting Standards that were submitted by Gazprombank to the CBR as part of Gazprombank’s periodic reporting to the CBR.

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

“**Repayment Date**” means 25 April 2073, the date which is 60 years and six months after the Closing Date, or such later day as Gazprombank may elect from time to time pursuant to Clause 7.1.

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

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

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

“**Shareholders**” means the holders of the Capital Stock of Gazprombank.

“**Subscription Agreement**” means the subscription agreement dated 24 October 2012 between the Lender, Gazprombank and the Lead Managers.

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

“**Supplemental Trust Deed**” means the supplemental trust deed between the Lender and the Trustee dated 25 October 2012 supplementing the Principal Trust Deed in relation to the Notes.

“**Taxes**” means any taxes (including interest or penalties thereon) which are now or at any time hereafter imposed, assessed, charged, levied, collected, demanded, withheld or claimed by the Russian Federation, Ireland or any tax authority thereof or therein provided, however, that for the purposes of this definition the references to Ireland shall, upon the occurrence of a

Relevant Event (as this term is defined in the Principal Trust Deed), be deemed to be references to the jurisdiction in which the Trustee is domiciled for tax purposes; and the term “**Taxation**” shall be construed accordingly.

“**Tier 1 Capital**” means, at any time, the aggregate amount of all items classified as “Core Capital”, which has the meaning given to it in Regulation No. 215-P as amended from time to time.

“**Tier 2 Capital**” means, at any time, the aggregate amount of all items classified as “Supplementary Capital”, which has the meaning given to it in Regulation No.215-P as amended from time to time.

“**Trustee**” means Citicorp Trustee Company Limited, as trustee under the Principal Trust Deed and Supplemental Trust Deed and any successor thereto as provided thereunder.

“**Treasury Rate**” means:

- (a) the yield, which for the Interest Rate from the Closing Date to the first Reset Date is equal to 0.774 per cent., under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated “H.15(519)” or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which established a yield for actively traded United States treasury notes adjusted to constant maturity under the caption “Treasury Constant Maturities”, with a maturity (or remaining maturity) closest to the Benchmark Treasury (if no maturity falls within three months before or after such time period, yields for the two published maturities most closely corresponding to such time period shall be determined and the Treasury Rate shall be interpolated or extrapolated from such yields on a straight-line basis, rounding to the nearest month); or
- (b) in the event that such yield referred to in sub-clause (a) above does not appear in such statistical release or any such successor publication during the week preceding the Interest Determination Date, the yield determined by the Principal Paying Agent as follows:
 - (i) the Principal Paying Agent shall request the principal New York office of each of four primary United States government securities dealers to provide a quotation of the yield it offers for United States treasury notes with a maturity (or remaining maturity) closest to the Benchmark Treasury, and determine the average of such quotations (rounded, if necessary, to the nearest one thousandth of a percentage point, 0.0005 per cent., being rounded upwards); and
 - (ii) if the Principal Paying Agent is unable to obtain quotations and determine the yield pursuant to sub-clause (b)(i) above, the Principal Paying Agent shall determine, in the manner set forth in sub-clause (b)(i) above, the latest calculable yield for United States treasury notes with a maturity (or remaining maturity) closest to the Benchmark Treasury on the latest Business Day prior to the Interest Determination Date.

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

1.2 Interpretation

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

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

2. Loan and Drawdown

2.1 Loan

On the terms and subject to the conditions set forth herein, the Lender hereby agrees to make available to Gazprombank the loan in the total aggregate amount of U.S.\$1,000,000,000.

2.2 Purpose

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

2.3 Drawdown

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

2.4 Loan Arrangement Fee

In consideration of the Lender’s undertaking to make the Loan available to Gazprombank, Gazprombank hereby agrees that it shall, one Business Day before the Closing Date, pay to the Lender to the account No. 11736809 (TO: Citibank, N.A. New York; SWIFT: CITIUS33; TO: Citibank, N.A. London; SWIFT: CITIGB2L; A/C NAME: GPB Eurobond Finance Non-Secured Account; REFERENCE: GPB Series 8), in Same-Day Funds, the amount of U.S.\$14,159,133.56 in connection with the financing of the Loan and costs connected with and necessary for the extension of the Loan (the “**Arrangement Fee**”). The Arrangement Fee shall be calculated taking into account the front-end commissions, fees and costs of the Lender in connection with financing the Loan.

2.5 Disbursement

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

2.6 Ongoing Fees and Expenses

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

3. Subordination of the Loan

3.1 Subordination

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

3.2 Report

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

3.3 Set-Off

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

3.4 Reclassification

If the CBR fails to issue the Final Conclusion to Gazprombank by the Approval Date, Clauses 3.1, 4.4, 4.5 and 7 (and any corresponding references thereto) shall not apply and the claims of the Lender against Gazprombank in respect of principal of and interest on the Loan will, in the event of a Bankruptcy Event, rank at least *pari passu* with the claims of Senior Creditors and the Loan shall be treated as senior in priority to any unsecured subordinated debt or Capital Stock of Gazprombank.

4. Interest and Deferral

4.1 Rates of Interest

Subject to Clauses 4.4 and 4.5 below, Gazprombank will pay interest in U.S. Dollars to the Lender on the outstanding principal amount of the Loan from (and including) the Closing Date at the relevant Interest Rate. The Interest Rate shall be, in respect of the Reset Dates only, determined by the Principal Paying Agent on the Interest Determination Date in accordance with this Agreement (such determination by the Principal Paying Agent being final and binding on the Lender and Gazprombank, in the absence of manifest error).

4.2 Accrual and Payment of Interest

Interest at the Interest Rate shall accrue from day to day in respect of each Interest Period and shall be paid in U.S. Dollars in arrear not later than 2 p.m. (London time) one Business Day prior to each Interest Payment Date. Interest shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of actual days elapsed. Interest on the Loan will cease to accrue from the due date for repayment thereof unless payment of principal is improperly withheld or refused by Gazprombank, in which event interest will continue to accrue (before or after any judgment) at the Interest Rate to but excluding the date on which payment in full of the principal thereof is made.

4.3 Publication of the Interest Rate

The Lender and Gazprombank shall (unless the Loan has been prepaid in accordance with Clause 5) cause notice of each Interest Rate to be given to the Trustee and any stock exchange on which the Notes are listed at the applicable time and, in accordance with the conditions of the Notes, the Noteholders as soon as practicable after its determination but in any event not later than the Closing Date or, as the case may be, the relevant Reset Date.

4.4 Cancellation of Interest

- 4.4.1 Gazprombank may, at its discretion, elect in respect of any Optional Interest Payment Date to cancel all or part of any payment of interest which is otherwise scheduled to be paid on an Interest Payment Date by giving notice of such election to the Lender not more than 30 nor less than 10 days prior to the relevant Interest Payment Date.
- 4.4.2 Payments of interest on the Loan are not cumulative. Notwithstanding any other provision in this Agreement but without prejudice to Clause 4.4.3, the cancellation or non-payment of any interest payment by virtue of this Clause 4.4 shall not constitute an Acceleration Event or a default for any purpose on the part of Gazprombank. Any interest payment not paid by virtue of this Clause 4 shall not accumulate or be payable at any time thereafter, and the Lender shall have no right thereto.
- 4.4.3 Notwithstanding any other provision in this Agreement, if the Shareholders of Gazprombank resolve to make or pay a distribution or dividend in cash or in kind (other than in the form of Ordinary Shares) on the Ordinary Shares in respect of a financial year during which any interest payment was not made in full by reason of Clause 4.4.1, Gazprombank shall, subject as provided below, pay to the Lender, within five Business Days of such distribution or dividend being paid or made, an amount equal to the aggregate amount of all such interest which has arisen during such financial year. If the Shareholders do not resolve to make or pay a distribution or dividend on the Ordinary Shares as described in this Clause 4.4.3, no amount shall be payable under this Clause 4.4.3.

4.5 Required Deferral of Payments

The parties to this Agreement acknowledge that the CBR has the right to require deferral of payments by Gazprombank of principal of, and/or interest on, the Loan (whereupon Gazprombank shall be obliged to defer such payments) if the making of payments for the benefit of the Lender would give rise to a Bankruptcy Prevention Event (a “**Deferral Event**”).

As soon as reasonably practicable after being notified by the CBR of a Deferral Event, Gazprombank shall deliver a notice in writing to the Lender and the Trustee of such Deferral Event (a “**Deferral Notice**”) and, accordingly, on the giving of such notice the due date for payment of such principal and/or interest amounts (“**Deferred Payments**”) shall be so deferred and Gazprombank shall not be obliged to make payment thereof on the date the same would otherwise have become due and payable, and such deferral of payment shall not constitute an Acceleration Event (or a Potential Acceleration Event) by Gazprombank for any purpose.

Interest will not accrue on any interest payment so deferred Gazprombank shall promptly give written notice to the Lender and the Trustee when the Deferral Event ceases and the relevant Deferred Payments shall become due and payable on the seventh day after such notice of the cessation of the Deferral Event. In addition, the aggregate amount of Deferred Payments which remains unpaid shall become due and payable in full upon the occurrence of any of the events set out in Clause 12.2 or on a repayment pursuant to Clause 5.

5. Repayment and Prepayment

5.1 Repayment, no Prepayment and no Termination

5.1.1 Except as otherwise provided herein:

- (i) Gazprombank shall repay the Loan not later than 2 p.m. (London time) one Business Day prior to the Repayment Date or as contemplated in Clause 12 together with any accrued and unpaid interest to the date of repayment, Deferred Payments, if any, and any other sums due and payable by Gazprombank pursuant to this Agreement;
- (ii) Gazprombank shall not prepay all or any part of the Loan or interest on the Loan unless the parties agree otherwise and only with the prior written consent of the CBR; and
- (iii) this Agreement may not be terminated earlier than the Repayment Date unless (i) the parties agree otherwise and (ii) only with the prior written consent of the CBR.

5.2 Prepayment Options

Notwithstanding the provisions of Clause 5.1, Gazprombank may

- 5.2.1** at its option, and with the prior written consent of the CBR prepay the Loan following the receipt of the Final Conclusion, at any time, if, as a result of any amendment to, clarification of, or change in (including a change in interpretation or application of), Regulation No. 215-P or other applicable requirements of the CBR, all but not part of the principal amount of the Loan outstanding at such time would cease to qualify in whole but not in part as Upper Tier 2 Capital other than as a result of exceeding any limit on the amount of total Tier 2 Capital instruments permitted by the CBR. The Loan shall be prepaid at the principal amount thereof in whole, but not in part, provided that notice thereof together with an Officers' Certificate confirming the existence of the relevant circumstances permitting such a prepayment shall be given to the Lender, with a copy to the Trustee, not less than 30 days and not more than 60 days prior to the date of prepayment. Upon the delivery of such notice and such Officers' Certificate, Gazprombank shall be bound on the prepayment date to repay the Loan (in whole but not in part) at the principal amount thereof;
- 5.2.2** prepay the Loan (in whole but not in part) at any time after the Approval Date, if the CBR does not issue to Gazprombank the Final Conclusion on or before the Approval Date. The Loan shall be prepaid at the principal amount thereof in whole, but not in part, provided that notice thereof together with an Officers' Certificate confirming the existence of the relevant circumstances permitting such a prepayment shall be given to the Lender, with a copy to the Trustee, not less than 30 days and not more than 60 days prior to the date of prepayment. Upon the delivery of such notice and such Officers' Certificate, Gazprombank shall be bound on the prepayment date to repay the Loan (in whole but not in part) at the principal amount thereof;
- 5.2.3** with the prior written consent of the CBR, prepay the Loan in whole but not in part on any Prepayment Date in an amount equal to the outstanding principal amount of the Loan and all other amounts payable by Gazprombank pursuant to this Agreement on giving not less than 30 nor more than 60 days' prior notice to the Lender (with a copy to the Trustee); and
- 5.2.4** subject to the CBR's prior written consent, if at any time subsequent to the date of this Agreement a Ratings Event occurs, prepay the Loan at the principal amount thereof in whole, but not in part, on the Interest Payment Date immediately following

such Ratings Event, but not thereafter, provided that notice thereof together with an Officers' Certificate confirming the existence of the relevant circumstances permitting such a prepayment shall be given to the Lender, with a copy to the Trustee, not less than 30 days and not more than 60 days prior to the date of prepayment.

Gazprombank may only exercise its option to redeem the Loan pursuant to either Clause 5.2.1 or Clause 5.2.3 to the extent that at such time no Bankruptcy Prevention Event has occurred or will occur upon such prepayment of the Loan.

5.3 Special Prepayment for Tax Reasons or Change in Circumstances

If (i) by reason of the introduction of any change in any Russian law, regulation, regulatory requirement or directive of any Russian agency after the date of this Agreement, Gazprombank would thereby be required to make or increase any payment due pursuant to this Agreement as provided in Clauses 6.2 or 6.3 (other than, in each case, where the increase in payment is in respect of any amounts due or paid pursuant to Clauses 2 and 15.2), or if (for whatever reason) Gazprombank would have to or has been required to pay additional amounts pursuant to Clause 9, and in any such case such obligation cannot be avoided by Gazprombank taking all reasonable measures available to it, or (ii) interest payable on the Loan when paid would not be deductible by Gazprombank for Russian corporate profits tax purposes, in an amount greater than the product of the principal amount of the Loan multiplied by the difference between (a) the Interest Rate and (b) the CBR Refinancing Rate, multiplied by 0.8 and adjusted for the Interest Period, then Gazprombank may (without premium or penalty) if it obtains the prior written consent of the CBR, upon not less than 30 days and not more than 60 days notice to the Lender, with a copy to the Trustee, (which notice shall be irrevocable), prepay the Loan in whole (but not in part) on the date specified in the notice, in an amount equal to the outstanding principal amount of the Loan.

5.4 Payment of Other Amounts

If the Loan is to be prepaid by Gazprombank pursuant to the provisions of sub-Clauses 5.2 or 5.3 Gazprombank shall, simultaneously with such prepayment, pay to the Lender accrued but unpaid interest thereon to the date of actual receipt of payment by the Lender and all other sums payable by Gazprombank pursuant to this Agreement (including, but not limited to, Deferred Payments, if any).

6. Payments

6.1 Making of Payments

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

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

All payments to be made by Gazprombank under this Agreement shall be (i) made in full without set-off or counterclaim and (except to the extent required by law) free and clear of and without deduction for or on account of any Taxes and (ii) made only from the Russian Federation, Ireland or such other jurisdiction which would not require any deductions or withholding from any such payment. If Gazprombank is required by applicable law to make

any deduction or withholding from any payment under this Agreement for or on account of any such Taxes, it shall, on the due date of such payment, increase any payment due hereunder to such amount as may be necessary to ensure that the Lender receives a net amount in Dollars equal to the full amount which it would have received had payment not been made subject to such Taxes, shall account to the relevant authorities for the relevant amount of such Taxes so withheld or deducted within the time allowed for such payment under the applicable law and shall deliver to the Lender without undue delay evidence satisfactory to the Lender of such deduction or withholding and of the accounting therefor to the relevant taxing authority. If the Lender pays any amount in respect of such Taxes, including penalties or interest, Gazprombank shall reimburse the Lender in Dollars for such payment on demand. For the avoidance of doubt, this Clause 6.2 is without prejudice to the obligation of the Lender pursuant to Clause 6.6.

6.3 Withholding on the Notes

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

6.4 Reimbursement

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

6.5 Mitigation

If at any time either party hereto becomes aware of circumstances which would or might, then or thereafter, give rise to an obligation on the part of Gazprombank to make any deduction,

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

6.6 Tax Treaty Relief

- 6.6.1** At the request of Gazprombank, the Lender shall once in each calendar year, prior to the first Interest Payment Date in such calendar year, provide Gazprombank no later than five Business Days prior to such Interest Payment Date (but in any event not before 31 January in each year) with a tax residency certificate issued or certified by (as applicable) the competent authorities of Ireland confirming that the Lender is resident for tax purposes in Ireland at such time. At the cost of Gazprombank, the residency certificate shall be apostilled at the Irish Department of Foreign Affairs. The Lender shall not be responsible for any failure to provide, or any delays in providing, such tax residency certificate as a result of any action or inaction of any authority of Ireland, but shall notify Gazprombank as soon as practicable about any such failure or delay with an indication of the actions taken by the Lender to obtain such tax residency certificate.
- 6.6.2** If Russian legislation regulating the procedures for obtaining an exemption from Russian withholding tax on income changes, the Lender shall use its reasonable and timely efforts to assist Gazprombank to obtain relief from such tax pursuant to the double taxation treaty between the Russian Federation and Ireland.

7. Extension and Substitution

7.1 Extension of the Maturity of the Loan

Subject to Gazprombank submitting a draft amendment agreement to the CBR and obtaining approval of the CBR to such draft amendment agreement in accordance with Clause 15.14.2 of this Agreement, at any time on or after the date that is five years and six months prior to the Repayment Date (as such term is construed from time to time in accordance with the provisions of this Clause), Gazprombank may, at its sole discretion, elect to extend the Repayment Date of the Loan, provided that:

- 7.1.1** The Repayment Date following such election shall be no less than 60 years and six months from the date set as the Repayment Date immediately prior to such election; and
- 7.1.2** Gazprombank has given at least 30 days' prior written notice to the Lender and the Trustee of such election from the date upon which the election to extend the repayment of the Loan is to be effective.

Upon the exercise of such an election by Gazprombank pursuant to this Clause 7.1, the definition of "Repayment Date" shall be construed to be the date specified by Gazprombank pursuant to such election and the provisions of this Loan Agreement will be construed accordingly and, for the avoidance of doubt, any Deferred Payments that are outstanding as such time will be preserved following any such extension of the Repayment Date.

7.2 Substitution of the Loan

On repayment of the Loan in accordance with Clause 5.1, Gazprombank may, at its option, require the Lender to make available, and the Lender agrees that it shall make available, a further loan in a total aggregate amount equal to the outstanding principal amount of the Loan immediately before repayment and on terms (including as to interest) no less favourable to the Lender to any member of the Group notified to the Lender in advance in writing by Gazprombank. If such loan is made to a member of the Group other than Gazprombank itself, Gazprombank will provide a guarantee for such loan such that the risk to the Lender is no less favourable than the Loan.

8. Conditions Precedent

8.1 Documents to be Delivered

The obligation of the Lender to make the Loan shall be subject to the receipt by the Lender on or prior to the Closing Date of evidence that the persons mentioned in sub-Clauses 15.11.1 and 15.11.2 hereof have agreed to receive process in the manner specified therein

8.2 Further Conditions

The obligation of the Lender to make the Loan shall be subject to the further conditions precedent that as of the Closing Date (a) the representations and warranties made and given by Gazprombank in Clause 10 shall be true and accurate as if made and given on the Closing Date with respect to the facts and circumstances then existing, (b) no event shall have occurred and be continuing that constitutes a Potential Acceleration Event or an Acceleration Event, (c) Gazprombank shall not be in breach of any of the terms, conditions and provisions of this Agreement and (d) the Subscription Agreement and the Supplemental Trust Deed shall have been executed and delivered, and the Lender shall have received the full amount of the proceeds of the issue of the Notes pursuant to the Subscription Agreement as well as receipt of the Arrangement Fee under Clause 2.4.

9. Change in Law or Increase in Cost

9.1 Compensation

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

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

and if as a result of any of the foregoing:

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

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

- (a) the Lender shall, as soon as practicable after becoming aware of such increased cost, reduced amount or payment made or foregone, give written notice to Gazprombank, together with a certificate signed by the Lender describing in reasonable detail the introduction or change or request which has occurred and the country or jurisdiction concerned and the nature and date thereof and demonstrating the connection between such introduction, change or request and such increased cost, reduced amount or payment made or foregone, and setting out in reasonable detail the basis on which such amount has been calculated, and all relevant supporting documents evidencing the matters set out in such certificates; and
- (b) Gazprombank, in the case of clauses (i) and (iii) above, shall on demand by the Lender, pay to the Lender such additional amount as shall be necessary to compensate the Lender for such increased cost, and, in the case of clause (ii) above, at the time the amount so reduced would otherwise have been payable, pay to the Lender such additional amount as shall be necessary to compensate the Lender for such reduction, payment or foregone interest or other return; provided, however, the amount of such increased cost, reduced amount or payment made or foregone shall be deemed not to exceed an amount equal to the proportion thereof which is directly attributable to this Agreement,

provided that this sub-Clause 9.1 will not apply to or in respect of any matter for which the Lender has already been compensated under sub-Clause 6.2.

9.2 Mitigation

In the event that the Lender becomes entitled to make a claim pursuant to sub-Clause 9.1, the Lender shall consult in good faith with Gazprombank and shall use reasonable efforts (based on the Lender's reasonable interpretation of any relevant tax, law, regulation, requirement, official directive, request, policy or guideline) to reduce, in whole or in part, Gazprombank's obligations to pay any additional amount pursuant to such sub-Clause, except that nothing in this sub-Clause 9.2 shall obligate the Lender to incur any costs or expenses in taking any action which, in the reasonable opinion of the Lender, is prejudicial to its interests.

10. Representations and Warranties

10.1 Gazprombank's Representations and Warranties

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

- 10.1.1** Gazprombank is duly organised and incorporated and validly existing under the laws of the Russian Federation and has the power and legal right to own its property, to conduct its business as currently conducted and to enter into and to perform its

obligations under this Agreement and to borrow the Loan; Gazprombank has taken all necessary corporate, legal and other action required to authorise the borrowing of the Loan on the terms and subject to the conditions of this Agreement and to authorise the execution and delivery of this Agreement and all other documents to be executed and delivered by it in connection with this Agreement, and the performance of this Agreement in accordance with its terms.

- 10.1.2** This Agreement has been duly executed and delivered by Gazprombank and constitutes a legal, valid and binding obligation of Gazprombank enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, moratorium and similar laws affecting creditors' rights generally, and subject, as to enforceability, (i) to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law); (ii) with respect to the enforceability of a judgment whether there is a treaty in force relating to the mutual recognition of foreign judgments; and (iii) to the fact that the gross-up provisions contained in sub-Clause 6.2 or 6.3 may not be enforceable under Russian law.
- 10.1.3** The execution, delivery and performance of this Agreement by Gazprombank will not conflict with or result in any breach or violation of (i) any law or regulation or any order of any governmental, judicial or public body or authority in the Russian Federation, (ii) the constitutive documents, rules and regulations of Gazprombank or (iii) any agreement or other undertaking or instrument to which Gazprombank is a party or which is binding upon Gazprombank or any of its assets, nor result in the creation or imposition of any Security Interest on any of its assets pursuant to the provisions of any such agreement or other undertaking or instrument.
- 10.1.4** All consents, authorisations or approvals of, or filings with, any governmental, judicial and public bodies and authorities of the Russian Federation required by Gazprombank in connection with the execution, delivery, performance, legality, validity, enforceability, and admissibility in evidence of this Agreement have been obtained or effected and are in full force and effect.
- 10.1.5** No Potential Acceleration Event, Acceleration Event or a default (where, in the case of a default only, such would have a Material Adverse Effect) under any agreement or instrument evidencing any Indebtedness of Gazprombank has occurred, and no such event will occur upon the making of the Loan.
- 10.1.6** Save as disclosed in the Base Prospectus, there are no judicial, arbitral or administrative actions, proceedings or claims pending or, to the knowledge of Gazprombank, threatened, against Gazprombank or any of its Material Subsidiaries, the adverse determination of which could be reasonably expected to have a Material Adverse Effect (excluding proceedings which are frivolous or vexatious).
- 10.1.7** Gazprombank and each of its Material Subsidiaries has the right of ownership (as that expression is defined under the laws of the Russian Federation) to its property free and clear of all Security Interests which if created could have a Material Adverse Effect and Gazprombank's obligations under the Loan constitute direct, unconditional, unsecured and subordinated obligations of Gazprombank.
- 10.1.8** The most recent audited consolidated financial statements and unaudited interim consolidated financial statements of Gazprombank:
- (i) were prepared in accordance with IFRS, as consistently applied; and
 - (ii) present fairly in all material respects the assets and liabilities as at their respective dates and the results of operations of Gazprombank during the relevant financial year or three or six month period (as the case may be).

- 10.1.9** There has been no material adverse change since 30 June 2012 in the financial condition, results of business operations or prospects of Gazprombank or the Group taken as a whole.
- 10.1.10** The execution, delivery and enforceability of this Agreement is not subject to any tax, duty, fee or other charge, including, without limitation, any registration or transfer tax, stamp duty or similar levy, imposed by or within the Russian Federation or any political subdivision or taxing authority thereof or therein.
- 10.1.11** Neither Gazprombank nor its property has any right of immunity from suit, execution, attachment or other legal process on the grounds of sovereignty or otherwise in respect of any action or proceeding relating in any way to this Agreement.
- 10.1.12** Gazprombank is in compliance in all material respects with all applicable provisions of law except where failure to be so in compliance would not have a Material Adverse Effect.
- 10.1.13** Neither Gazprombank, nor any of its Material Subsidiaries has taken any corporate action nor, to the best of the knowledge and belief of Gazprombank, have any other steps been taken or legal proceedings been started or threatened in writing against Gazprombank or any of its Material Subsidiaries for its bankruptcy, winding-up, dissolution, external administration or re-organisation (whether by voluntary arrangement, scheme of arrangement or otherwise) or for the appointment of a receiver, administrator, administrative receiver, conservator, custodian, trustee or similar officer of its or of any or all of its assets or revenues.
- 10.1.14** There are no strikes or other employment disputes against Gazprombank which are pending or, to Gazprombank's knowledge, threatened in writing which could have a Material Adverse Effect.
- 10.1.15** Save as disclosed in the Base Prospectus, in any proceedings taken in the Russian Federation in relation to this Agreement, the choice of English law as the governing law of this Agreement and any arbitration award obtained in England pursuant to Clause 15.10 in relation to this Agreement should be recognised and enforced in the Russian Federation after compliance with the applicable procedural rules and all other legal requirements in Russia.
- 10.1.16** Under the laws of the Russian Federation, it will not, subject to Clause 6.6, be required to make any deduction or withholding from any payment it may make hereunder.
- 10.1.17** It has no overdue tax liabilities which could have a Material Adverse Effect other than those which it has disclosed to the Lender prior to the date hereof or which it is contesting in good faith.
- 10.1.18** All licences, consents, examinations, clearances, filings, registrations and authorisations which are or may be necessary to enable Gazprombank and any of its Material Subsidiaries to own its assets and carry on its business are in full force and effect, the absence of which could have a Material Adverse Effect.

10.2 Lender's Representations and Warranties

The Lender represents and warrants to Gazprombank as follows:

- 10.2.1** The Lender is duly incorporated under the laws of and is resident in Ireland and subject to taxation in Ireland not merely on the basis of the source of its income or location of its property but on the basis of its registration as a legal entity, location of

its management body or other similar criteria. The Lender does not have and will not have a permanent establishment or presence in Russia, save as may be caused as a result of the Lender entering into this Agreement or any other loan agreement with Gazprombank or by the performance of its obligations hereunder. The Lender has full power and capacity to execute this Agreement and to undertake and perform the obligations expressed to be assumed by it herein and therein and the Lender has taken all necessary corporate action to approve and authorise the same.

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

11. Covenants

11.1 Reports

- 11.1.1 So long as any amount remains outstanding hereunder, Gazprombank will furnish to the Lender commencing with the period ending 30 June 2012, within 6 months of each relevant period (i) year-end audited annual financial statements prepared in accordance with IFRS as consistently applied, including a report thereon by Gazprombank's certified independent accountants, (ii) 3 month and 6 month interim, unaudited financial statements prepared in accordance with IFRS as consistently applied.
- 11.1.2 On each Interest Payment Date and within 14 days of any request by the Lender, Gazprombank shall deliver to the Lender a written notice in the form of an Officers' Certificate stating whether any Acceleration Event or Potential Acceleration Event or

default in the performance or observance of any of its obligations under this Agreement has occurred and, if it has occurred and shall be continuing, what action Gazprombank is taking or proposes to take with respect thereto.

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

11.1.4 Promptly upon receipt by Gazprombank of the CBR's Final Conclusion or written consent or objection, as required by Clause 15.19, Gazprombank shall deliver a copy of that Final Conclusion or written consent or objection to the Lender.

11.2 Assistance

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

11.3 Capital Treatment

If the Loan is to be treated as Upper Tier 2 Capital by Gazprombank, Gazprombank will use its best efforts to procure that the CBR issue a final conclusion (*zakluchenie*) for such treatment, and will provide all relevant information about the Loan to the CBR as may be necessary for the issuance of such final conclusion (*zakluchenie*).

12. Acceleration Events

12.1 Payment Default

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

12.2 Winding-up

On the occurrence of any of the following events:

12.2.1 the commencement of any liquidation of Gazprombank (*likvidatsia*, as such term is defined under the Civil Code of the Russian Federation);

12.2.2 the entering into force of the decision of a competent court of the Russian Federation on bankruptcy of Gazprombank (*reshenie o priznanii dolzhnika bankrotom*, as such term is defined under Insolvency Law);

12.2.3 any revocation of any licence for the performance of banking operations of Gazprombank, or

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

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

12.3 Notice of Acceleration Event

Gazprombank shall deliver to the Lender and to the Trustee, within seven days after becoming aware thereof, written notice of any event described in Clauses 12.1 and 12.2 (each an “**Acceleration Event**”), its status and what action Gazprombank is taking or proposes to take with respect thereto.

12.4 Proceedings

In addition to its rights under Clauses 12.1 and 12.2, the Lender may institute such other proceedings against Gazprombank as it may think fit to enforce any obligation, condition or provision binding on Gazprombank under this Agreement (other than any obligation for payment of any principal or interest in respect of the Loan contemplated by Clause 12.1) provided that Gazprombank shall not by virtue of any such proceedings be obliged to pay (i) any sum or sums representing or measured by reference to principal or interest in respect of the Loan sooner than the same would otherwise have been payable by it or (ii) any damages.

13. Rights Not Exclusive

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

14. Indemnity

14.1 Indemnification

Gazprombank undertakes to the Lender, that if the Lender or any director, officer, employee or agent of the Lender and each person controlling the Lender (each an “**indemnified party**”) incurs any loss, liability, claim, demand or damage, charge or expense (including without limitation taxes and properly incurred legal fees, costs and expenses) (a “**Loss**”) as a result of or in connection with the Loan or this Agreement (or enforcement thereof) (excluding a Loss that is the subject of the undertakings contained in sub-Clause 6.2, Clause 9 and sub-Clause 15.6 of this Agreement (it being understood that the Lender may not recover twice in respect of the same Loss)) and/or the issue, constitution, sale, listing and/or enforcement of the Notes and/or the Notes being outstanding, Gazprombank shall pay to the Lender on demand an amount equal to such Loss, on an after tax basis, and all costs, charges and expenses which it or any indemnified party may pay or incur in connection with investigating, disputing or defending any such action or claim as such costs, charges and expenses are incurred unless such Loss was either caused by such indemnified party’s negligence or wilful misconduct or arises out of a breach of the representations and warranties of the Lender contained in the Schedule A of the Dealer Agreement. The Lender shall not have any duty or obligation whether as fiduciary or trustee for any indemnified party or otherwise, to recover any such payment or to account to any other Person for any amounts paid to it under this Clause.

If and to the extent the Lender finally and irrevocably recovers from any person other than Gazprombank any damages in connection with, or arising out of, any litigation or arbitration

in respect of the Notes, and has previously been indemnified by Gazprombank pursuant to this Clause 14.1 in respect of the Loss, on an after tax basis, corresponding to such damages, the Lender shall pay to Gazprombank the amount of such damages less any applicable fees, cost and expenses including, but not limited to, the cost of such litigation or arbitration that have not been otherwise finally and irrevocably recovered. Notwithstanding the foregoing, in no event shall the Lender be obliged to seek recovery of damages from third parties before it requires indemnification pursuant to this Clause 14.1 or if it has previously been indemnified by Gazprombank with respect to the corresponding Loss.

14.2 Conduct of Claim

If any proceeding (including a governmental investigation), claim or demand shall be instituted involving some or all of the indemnified parties in respect of which indemnity may be sought pursuant to Clause 14.1, the indemnified party shall promptly notify Gazprombank in writing and Gazprombank shall, unless the indemnified party elects to assume the defence itself, assume the defence thereof and appoint lawyers satisfactory to the indemnified party and shall be liable to pay the fees and expenses of such lawyers related to such proceeding. In any proceeding, the indemnified party shall have the right to retain its own lawyers, but the fees and expenses of such lawyers shall be at the expense of the indemnified party unless (i) Gazprombank and the indemnified party shall have mutually agreed to the retention of such lawyers or (ii) the named parties to any such proceeding (including any joined parties) include Gazprombank and the indemnified party and representation of both parties by the same lawyers (in the discretion of the indemnified party) would be inappropriate due to actual or potential differing interests, in the opinion of the indemnified party, between them or (iii) pursuant to the previous sentence, the indemnified party has elected to assume the defence itself or Gazprombank has failed to appoint lawyers satisfactory to the indemnified party. Gazprombank shall reimburse such fees and expenses as they are incurred in respect of (i), (ii) and (iii) above. Gazprombank shall not be liable for any settlement of any such proceeding, claim or demand effected without its written consent (provided that such consent shall not be unreasonably withheld or delayed), but if settled with such consent (or without such consent in circumstances where such consent shall have been unreasonably withheld or delayed as aforesaid) or if there be a final judgment for the plaintiff, Gazprombank agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. Gazprombank will not settle any proceeding in respect of which indemnity may be sought pursuant to Clause 14.1 without the written consent of the indemnified party.

14.3 Independent Obligation

Sub-Clause 14.1 constitutes a separate and independent obligation of Gazprombank from its other obligations under or in connection with this Agreement and shall not affect, or be construed to affect, any other provision of this Agreement.

14.4 Evidence of Loss

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

14.5 Survival

The obligations of Gazprombank pursuant to sub-Clauses 2.6, 6.2, 6.3, 14.1, 15.2, 15.6, 15.17 and 15.18 shall survive the execution and delivery of this Agreement, the drawdown of the Loan and the repayment of the Loan, in each case by Gazprombank.

15. General

15.1 Evidence of Debt

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

15.2 Stamp Duties

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

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

15.3 Waivers

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

15.4 Notices

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

15.4.1 if to Gazprombank:

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

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

15.4.2 if to the Lender:

GPB Eurobond Finance PLC
5 Harbourmaster Place
IFSC
Dublin 1
Ireland

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

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

Any notice sent by post as provided in this Clause 15 shall be deemed to have been given, made or served when delivered and any notice sent by facsimile transmission as provided in this Clause 15 shall be deemed to have been given, made or served when the relevant delivery receipt is received by the sender and any notice sent by electronic communication as provided in this Clause 15 shall be deemed to have been given, made or served when the relevant receipt of such communication being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such communication; provided that any communication which is received (or deemed to take effect in accordance with the foregoing) outside business hours or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such place. Any communication delivered to any party under this Agreement which is to be sent by facsimile transmission or electronic communication will be written legal evidence.

15.5 Assignment

- 15.5.1** Subject to Clause 15.5.2, this Agreement shall inure to the benefit of and be binding upon the parties, their respective successors and any permitted assignee or transferee of some or all of a party's rights under this Agreement. Any reference in this Agreement to any party shall be construed accordingly and, in particular, references to the exercise of rights and discretions or the making of any determination by the Lender, shall include references to the exercise of such rights or discretions by or the making of such determination by the Trustee (as Trustee). Notwithstanding the foregoing, the Trustee shall not be entitled to participate in any determinations by the Lender or any discussions between the Lender and Gazprombank or any agreements of the Lender or Gazprombank, pursuant to Clauses 6.4, 6.5 or 9.2.
- 15.5.2** Gazprombank shall not assign or transfer all or any part of its rights or obligations hereunder to any other party.
- 15.5.3** Subject to the provisions of Clause 26 of the Principal Trust Deed, the Lender may not assign or transfer, in whole or in part, any of its rights and benefits under this Agreement other than the Reserved Rights (as defined in the Principal Trust Deed) except that the Lender may charge by way of fixed first charge in favour of the Trustee (as Trustee) of certain of the Lender's rights and benefits under this Agreement and assign absolutely to the Trustee certain rights, interests and benefits under this Agreement, in each case, as set out in Clause 4 of the Principal Trust Deed as supplemented by Clause 6 of the Supplemental Trust Deed.

15.6 Currency Indemnity

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

15.7 Prescription

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

15.8 Contracts (Rights of Third Parties) Act 1999

Other than the Trustee who shall have rights under the Contracts (Rights of Third Parties) Act 1999 in respect of this Agreement, a person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

15.9 Choice of Law

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

15.10 Jurisdiction

The parties irrevocably agree that any dispute arising out of or connected with this Agreement, including a dispute as to the validity, existence or termination of this Agreement or the consequences of its nullity and/or this Clause (a “**Dispute**”), shall be resolved by arbitration in London, England, conducted in the English language by three arbitrators, in accordance with the LCIA Rules, which rules are deemed to be incorporated by reference into this Clause, save that, Article 56 of the LCIA Rules shall be amended as follows: unless the parties agree otherwise, the third arbitrator, who shall act as chairman of the tribunal, shall be nominated by the two arbitrators nominated by or on behalf of the parties. If he is not so nominated within 30 days of the date of nomination of the later of the two party-nominated arbitrators to be nominated, he shall be chosen by the LCIA.

15.11 Process Agents

15.11.1 Lender’s Process agent

The Lender agrees that the process by which any Proceedings in England are begun may be served on it by being delivered to the attention of Aquila International Services Limited of 2nd Floor, Berkeley Square House, Berkeley Square, London, W1J 6BD or, if different, its registered office for the time being or at any address of the Lender in Great Britain at which process may be served on such person in accordance with Part 34 of the Companies Act 2006 (as modified or re-enacted from time to time). If such person is not or ceases to be effectively appointed to accept

service of process on the Lender's behalf, the Lender irrevocably agrees to appoint a new process agent in England acceptable to Gazprombank and to deliver to Gazprombank within 14 days a copy of a written acceptance of appointment by the new process agent. Nothing in this Agreement shall affect Gazprombank's right to serve process in any other manner permitted by law.

15.11.2 Gazprombank's Process agent

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

15.12 Counterparts

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

15.13 Language

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

15.14 Amendments

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

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

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

15.14.3 approval from the CBR shall have been received in respect of the draft amendment agreement referred to in sub-Clause 15.14.2.

15.15 Loan not secured

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

15.16 Partial Invalidity

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

15.17 Limited Recourse

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

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

15.18 Non Petition

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

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

15.19 CBR Prior Consent

- 15.19.1** Pursuant to the provisions of Clauses 5.2 and 5.3 of this Agreement, no prepayment of the principal and (or) interest under this Agreement (in whole or in part) shall be permitted without the prior written consent of the CBR;
- 15.19.2** Pursuant to the provisions of Clause 15.14 of this Agreement, no amendment, modification or waiver to this Agreement shall be permitted without the prior approval of the CBR; and
- 15.19.3** No early termination of this Agreement shall be permitted without the prior written consent of the CBR.

GENERAL INFORMATION

- (1) Gazprombank has obtained or will obtain all necessary consents, approvals and authorisations in Russia and Ireland in connection with any Loan and the issue and performance of the corresponding Series of Notes. The issue of this Series Prospectus was authorised by the Board of Directors of the Issuer on 23 October 2012.
- (2) Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List or to trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive.
- (3) No consents, approvals, authorisations or orders of any regulatory authorities are required by the Issuer under the laws of Ireland for the issue and performance of the Notes under the Programme.
- (4) There has been no significant change in the financial or trading position or prospects of Gazprombank or the Group since 30 June 2012 and no material adverse change in the financial or trading position or prospects of Gazprombank or the Group since 30 June 2012. There has been no significant change and/or material adverse change in the financial or trading position or prospects of the Issuer since 31 August 2011. The Issuer has no subsidiaries.
- (5) Neither Gazprombank or any of its subsidiaries is involved in, or has been involved in, any governmental, legal or arbitration proceedings that may have had in the twelve months before the date of this Series Prospectus, a significant effect on the financial position or profitability of Gazprombank or the Group, nor, so far as Gazprombank is aware, are any such proceedings pending or threatened.
- (6) The Issuer is not, and has not been, involved in any governmental, legal or arbitration proceedings that may have had, in the twelve months before the date of this Series Prospectus, a significant effect on the Issuer's financial position or profitability, nor, so far as the Issuer is aware, are any such proceedings pending or threatened.
- (7) For so long as the Programme is in existence, copies (and English translations where the documents in question are not in English) of the Group's audited consolidated financial statements as at and for the years ended 31 December 2009, 2010 and 2011 and the audited annual financial statements of the Issuer as at and for the years ended 31 August 2010 and 31 August 2011, may be obtained free of charge in physical form at the registered office of the Issuer and specified offices of the Trustee and the Paying Agent in London during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted).
- (8) Copies of the following documents will be available for inspection in physical form at the specified offices of the Trustee and the Paying Agent in London and the registered office of the Issuer during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted):
 - the charter of Gazprombank and the Articles of Association of the Issuer;
 - the Trust Deed in respect of the Notes (including the forms of the Global Notes and definitive Notes);
 - the Agency Agreement;
 - the Subordinated Loan Agreement;
 - a copy of this Series Prospectus together with any supplement to this Series Prospectus or further Base Prospectus; and

- copies of any transfer notice papers or voting papers relating to the Notes.
- (9) Gazprombank does not prepare financial statements in accordance with U.S. GAAP.
 - (10) The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg.
 - (11) As of the date of this Series Prospectus, Gazprombank is in compliance with applicable Russian law corporate governance requirements in all material respects.
 - (12) Neither Gazprombank nor the Issuer intends to provide any post-issuance transaction information regarding any Series of Notes or Loans.

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