

IMPORTANT NOTICE

IMPORTANT: You must read the following before continuing. The following applies to the Prospectus following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THE FOLLOWING PROSPECTUS CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES (THE “U.S.”) OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. ANY SECURITIES TO BE ISSUED WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION, AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your representation: In order to be eligible to view the Prospectus or make an investment decision with respect to the securities, investors must be (i) “qualified institutional buyers” (as defined in Rule 144A under the Securities Act) (“**QIBs**”) that are also “qualified purchasers” (as defined in Section 2(A)(51) of the U.S. Investment Company Act of 1940, as amended) (“**QPs**”), or (ii) non-U.S. persons (as defined in Regulation S under the Securities Act) outside the U.S. who are not acting for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act). By accessing the Prospectus, you shall be deemed to have represented to us that you and any customers you represent are QIBs that are also QPs or you and any customers you represent are non-U.S. persons outside the U.S. (as defined in Regulation S under the Securities Act) and/or are not acting for the account or benefit of a U.S. person (as defined in Regulation S under the Securities Act).

This 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 Eurasia Capital S.A. or Home Credit & Finance Bank Limited Liability Company. Accordingly, the attached Prospectus is being distributed only to and directed only at (i) persons who are outside the United Kingdom, (ii) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”), (iii) high net worth entities and other persons falling within article 49(2)(a) to (d) of the Order, or (iv) those persons to whom it may otherwise be lawfully distributed in accordance with the Order (all such persons together being referred to as “**relevant persons**”). The Prospectus is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which the attached Prospectus relates is available only to relevant persons and will be engaged in only with relevant persons.

The information contained in this Prospectus does not constitute an offer, or an invitation to make offers, sell, purchase, exchange or transfer the Notes in Russia or to or for the benefit of any Russian person, and does not constitute an advertisement of the securities in Russia. This information must not be passed on to third parties or otherwise be made publicly available in Russia. The Notes have not been and will not be registered in Russia or admitted to public placement and/or public circulation in Russia. The Notes are not intended for “placement” or “circulation” in Russia except as permitted by Russian law.

You are reminded that you are accessing the Prospectus on the basis that you are a person by whom the Prospectus may be lawfully accessed in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver or forward the Prospectus to any other person.

The Prospectus does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuer in such jurisdiction.

This Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and, consequently, none of Eurasia Capital S.A., Home Credit & Finance Bank Limited Liability Company, Citigroup Global Markets Limited, SIB (Cyprus) Limited, SG CIB or UBS nor any director, officer, employee or agent of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and any hard copy version.



DRAWDOWN PROSPECTUS

prepared in connection with the

U.S.\$200,000,000 Loan Participation Notes due 2021 (the “Notes”)

Issued as Series 3 under the

U.S.\$2,500,000,000 Programme for the Issuance of Loan Participation Notes (the “Programme”)

to be issued by, but with limited recourse to,

Eurasia Capital S.A.

for the purpose of financing a subordinated loan to

Home Credit & Finance Bank Limited Liability Company

Issue Price: 100 per cent.

This drawdown prospectus (the “**Drawdown 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 1 October 2013 prepared in connection with the Programme (the “**Base Prospectus**”), is prepared in connection with the issue of the Notes by Eurasia Capital S.A. (the “**Issuer**”) under the Programme. The Notes are being issued for the sole purpose of financing a subordinated loan of U.S.\$200,000,000 (the “**Subordinated Loan**”) to Home Credit & Finance Bank Limited Liability Company (“**HCFB**” or the “**Borrower**”), as borrower. The Subordinated Loan is granted pursuant to the terms of a subordinated loan agreement between the Issuer and HCFB dated 15 October 2013 (the “**Loan Agreement**”), the form of which is set out herein.

The Subordinated Loan will bear interest at the Rate of Interest (as defined in the Loan Agreement), being 10.50 per cent. from (and including) the Closing Date to (but excluding) the Reset Date (as defined in the Loan Agreement), and as determined in accordance with Clause 5 of the Loan Agreement thereafter. Interest on the Notes will be payable at the Rate of Interest semi-annually in arrear on 17 April and 17 October in each year, commencing on 17 April 2014, from (and including) the Closing Date to (but excluding) the Reset Date, and thereafter at the Rate of Interest calculated in accordance with the Loan Agreement as described under “**Terms and Conditions of the Notes – 5 Interest**” in the Base Prospectus (which is incorporated by reference herein). The issue price of the Notes is 100 per cent. of their principal amount.

Subject as provided in an amended and restated principal trust deed dated 1 October 2013 (the “**Trust Deed**”), the Issuer will charge, in favour of BNY Mellon Corporate Trustee Services Limited (the “**Trustee**”) as 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 Loan Agreement and the Account (as defined in the Loan Agreement). In addition, the Issuer will assign certain of its administrative rights under the Loan Agreement to the Trustee.

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 shall constitute an obligation only to account to the holders of the Notes (the “**Noteholders**”) on each date upon which such amounts of principal, interest and additional amounts (if any) are due in respect of the Notes, for an amount equivalent to all principal, interest and additional amounts (if any) actually received from HCFB by or for the account of the Issuer pursuant to the Loan Agreement excluding, however, any amounts paid in respect of Reserved Rights (as defined in the terms and conditions of the Notes). 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 and exclusively on the credit and financial standing of HCFB in respect of the payment obligations of the Issuer under the Notes.

Other than as described in this Drawdown Prospectus, the Base Prospectus and the Trust Deed, the Noteholders have no proprietary or other direct interest in the Issuer’s rights under or in respect of the Loan Agreement or the Subordinated Loan. Subject to the terms of the Trust Deed, no Noteholder will have any rights to enforce any of the provisions in the Loan Agreement or have direct recourse to HCFB, except through action by the Trustee.

AN INVESTMENT IN THE NOTES INVOLVES A HIGH DEGREE OF RISK. PROSPECTIVE INVESTORS SHOULD HAVE REGARD TO THE RISK FACTORS DESCRIBED UNDER THE SECTION ENTITLED “RISK FACTORS” IN THIS DRAWDOWN PROSPECTUS BEGINNING ON PAGE 1.

If a Write Down Event (as defined in the Loan Agreement) occurs, the principal amount of the Notes and/or interest amount then due in respect of the Notes (as applicable) will be subject to write-down and cancellation in an amount equal to the principal amount of the Subordinated Loan and/or interest amount then due in respect of the Subordinated Loan so written down and cancelled (as applicable) in accordance with Clause 8 of the Loan Agreement upon the occurrence of a Write-Down Event. Whilst the Notes are in Global Form any write down will be in accordance with the standard operating procedures of the relevant clearing system, as further set out on the relevant Global Note. Whilst the Notes are in Definitive Form any write down will be on a pro-rata basis, as further set out in the Terms and Conditions. Any such write-down will result in the Noteholders losing the relevant interest or principal amount of the Notes so written-down. Accordingly, Noteholders should be aware that they may lose their entire investment in the Notes. In the event that the entire principal amount of the Notes is written down, the Notes will be cancelled. **PROSPECTIVE INVESTORS SHOULD HAVE REGARD TO THE RISK FACTOR IN THIS DRAWDOWN PROSPECTUS ENTITLED “INTEREST ACCRUED ON THE SUBORDINATED LOAN AND NOTES MAY BE CANCELLED AND NON-CUMULATIVE AND THE SUBORDINATED LOAN AND NOTES MAY BE SUBJECT TO WRITE DOWN MEASURES” ON PAGE 3.**

THE NOTES AND THE SUBORDINATED LOAN HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND, 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 NOTES MAY BE OFFERED AND SOLD (I) WITHIN THE UNITED STATES TO QUALIFIED INSTITUTIONAL BUYERS (“QIBS”), AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”) THAT ARE ALSO QUALIFIED PURCHASERS (“QPS”), AS DEFINED IN SECTION 2(A)(51) OF THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “INVESTMENT COMPANY ACT”), IN RELIANCE ON THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144A (THE “RULE 144A NOTES”) AND (II) TO NON U.S. PERSONS LOCATED OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S (THE “REGULATION S NOTES”). THE ISSUER HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE INVESTMENT COMPANY ACT. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT SELLERS OF THE RULE 144A NOTES MAY BE RELYING ON THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT PROVIDED BY RULE 144A. EACH PROSPECTIVE PURCHASER ACKNOWLEDGES THAT IT IS PREPARED TO HOLD THE SECURITIES TO MATURITY AND THAT THE RULE 144A NOTES ARE “RESTRICTED SECURITIES” WITHIN THE MEANING OF RULE 144(A)(3) UNDER THE SECURITIES ACT. EACH PROSPECTIVE PURCHASER ACKNOWLEDGES THAT NO REPRESENTATION HAS BEEN MADE AS TO THE AVAILABILITY OF RULE 144 OR ANY OTHER EXEMPTION UNDER THE SECURITIES ACT FOR THE RE-OFFER, RESALE, PLEDGE OR TRANSFER OF THE SECURITIES. FOR A DESCRIPTION OF THESE AND CERTAIN FURTHER RESTRICTIONS, SEE “SUBSCRIPTION AND SALE” AND “TRANSFER RESTRICTIONS”.

The Notes are not eligible for placement and circulation in the Russian Federation, unless otherwise permitted by Russian law. The information provided in this Drawdown Prospectus is not an offer, or an invitation to make offers, to sell, exchange or otherwise transfer the Notes in the Russian Federation or to or for the benefit of any Russian person or entity. This Drawdown Prospectus has been approved by the Central Bank of Ireland (the “**Central Bank**”) as competent authority under Directive 2003/71/EC, as amended (the “**Prospectus Directive**”). The Central Bank only approves this Drawdown Prospectus as meeting the requirements imposed under Irish and European Union law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange plc (the “**Irish Stock Exchange**”) for the Notes issued under this Drawdown Prospectus to be admitted to the official list (the “**Official List**”) and to trading on its regulated market (the “**Market**”). The Market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC). References in this Drawdown Prospectus to Notes being “listed” (and all related references) shall mean that such Notes have been admitted to the Official List and have been admitted to trading on the Market.

Regulation S Notes will initially be represented by interests in a permanent global note in fully registered form (the “**Regulation S Global Note**”) without interest coupons, which will be deposited with a common depository for, and registered in the name of a nominee of, Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”), on the Issue Date. Beneficial interests in the Regulation S Global Note will be shown on, and transfers thereof will be effected only through records maintained by, Euroclear or Clearstream, Luxembourg and their respective participants. Rule 144A Notes will initially be represented by interests in a permanent global note in fully registered form (the “**Rule 144A Global Note**”) and, together with the Regulation S Global Note, the “**Global Notes**”) without interest coupons, which will be deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company (“**DTC**”) on the Issue Date. Beneficial interests in a Rule 144A Global Note will be shown on, and transfers thereof will be effected only through records maintained by, DTC and its participants. See “**Summary of the Provisions Relating to the Notes in Global Form**” in the Base Prospectus (which is incorporated by reference herein). Individual definitive Notes in registered form will only be available in certain limited circumstances as described herein.

Joint Lead Managers

Citigroup

Sberbank CIB

UBS Investment Bank

Co-Managers

Société Générale Corporate & Investment Banking

PPF Banka

The date of this Drawdown Prospectus is 15 October 2013

The Notes to be issued are expected to be rated “BB-” by Fitch Ratings CIS Limited (“**Fitch**”) (see – “*Issue Terms of the Notes*”). As of the date of this Drawdown Prospectus, Fitch is established in the European Union and registered under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”). For more information on the ratings of the Notes, see “*Overview of the Programme*” in the Base Prospectus (which is incorporated by reference herein). 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, unless the rating is provided by a credit rating agency operating in the European Community before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused or (ii) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (iii) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

This Drawdown Prospectus (when read and construed in conjunction with the Base Prospectus incorporated by reference herein) comprises a prospectus for the purposes of Article 5.4 of the Prospectus Directive and for the purpose of giving information with respect to HCFB, the Issuer, the Loan Agreement and the Notes.

Each of the Issuer and HCFB accepts responsibility for the information contained in this Drawdown Prospectus. To the best of the knowledge and belief of each of the Issuer and HCFB (having taken all reasonable care to ensure that such is the case) the information contained in this Drawdown Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. HCFB’s legal name is Home Credit & Finance Bank Limited Liability Company, and the address of HCFB’s registered and principal office is Building 1, 8 Pravdy Street, Moscow, 125040, the Russian Federation. The telephone number of the registered office is +7 495 785 82 25. The Issuer’s legal name is Eurasia Capital S.A. The Issuer is registered with the Registre de Commerce et des Sociétés in Luxembourg under number B104488. Its registered address is 46A avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

This Drawdown Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, HCFB, the Joint Lead Managers, the Co-Managers (and together with the Joint Lead Managers, the “**Managers**”) the Trustee or the Agents to subscribe for or purchase any Notes. The distribution of this Drawdown Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Drawdown Prospectus comes are required by the Issuer, HCFB, the Managers, the Trustee and the Agents to inform themselves about and to observe any such restrictions. In particular, the Notes have not been and will not be registered under the Securities Act. Subject to certain exceptions, the Notes may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons. Further information with regard to restrictions on offers and sales of the Notes and the distribution of this Drawdown Prospectus is set out under “*Issue Terms of the Notes*” in this Drawdown Prospectus and “*Subscription and Sale*” in the Base Prospectus (which is incorporated by reference herein).

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 Drawdown Prospectus. Persons into whose possession this Drawdown Prospectus comes are required by HCFB, the Issuer, the Managers, the Trustee and the Agents to inform themselves about and to observe such restrictions. Any consents or approvals that are needed in order to purchase the Notes must be obtained. None of HCFB, the Issuer and the Managers or the Trustee or the Agents are responsible for compliance with these legal requirements. The appropriate characterisation of the Notes under various legal investment restrictions, and thus the ability of investors subject to these restrictions to purchase such Notes, is subject to significant interpretative uncertainties. None of the Issuer, HCFB, the Trustee, the Agents or the Managers or any of the 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 legal investment or similar laws. Such investors should consult their legal advisers regarding such matters. For a description of further restrictions on offers and sales of the Notes, see “*Subscription and Sale*” in the Base Prospectus (which is incorporated by reference herein).

This Drawdown Prospectus is only being distributed to and is only directed at (i) persons who are outside the United Kingdom; (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); (iii) high net worth entities and other persons falling within Article 49(2)(a) to (d) of the Order and (iv) persons to whom it may otherwise be lawfully distributed in accordance with the Order, all such persons collectively being referred to as “**relevant persons**”. The Notes shall only be 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 the contents of this Drawdown Prospectus.

Neither the delivery of this Drawdown Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or HCFB since the date hereof or the date upon which this Drawdown Prospectus has been most recently supplemented or that there has been no adverse change (financial or otherwise) in the condition of the Issuer or HCFB since the date hereof or the date upon which this Drawdown Prospectus has been most recently supplemented. The delivery of this Drawdown Prospectus at any time does not imply that the information set forth in it is correct as at any time after its date. The websites of HCFB do not form any part of the contents of this Drawdown Prospectus. To the extent applicable, each of HCFB and the Issuer must comply with the Central Bank's continuing obligations rules in respect of securities admitted to the Official List. Neither HCFB nor the Issuer intends otherwise to provide post-issuance transaction information regarding the Notes or the Loan Agreement or the performance of HCFB.

No person is authorised to provide any information or to make any representation not set forth in this Drawdown Prospectus. Any information or representation not so set forth must not be relied upon as having been authorised by or on behalf of any of the Issuer, HCFB, the Trustee, the Agents or the Managers.

In connection with the issue of the Notes, UBS Limited (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.

To the extent that there is any inconsistency between (a) any statement in this Drawdown Prospectus and (b) any statement in the Base Prospectus (which is incorporated by reference herein), the statement in this Drawdown Prospectus will prevail in respect of the Notes only.

NONE OF THE MANAGERS, THE TRUSTEE OR ANY OF THE AGENTS NOR ANY OF THEIR RESPECTIVE DIRECTORS, AFFILIATES, ADVISERS OR AGENTS MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION SET FORTH IN THIS DRAWDOWN PROSPECTUS, AND NOTHING CONTAINED IN THIS DRAWDOWN PROSPECTUS IS, OR MAY BE RELIED UPON AS, A PROMISE OR REPRESENTATION, WHETHER AS TO THE PAST OR THE FUTURE. TO THE FULLEST EXTENT PERMITTED BY LAW, NONE OF THE MANAGERS, THE TRUSTEE OR ANY OF THE AGENTS, NOR ANY OF THEIR RESPECTIVE DIRECTORS, AFFILIATES, ADVISERS OR AGENTS ACCEPTS ANY RESPONSIBILITY FOR THE CONTENTS OF THIS DRAWDOWN PROSPECTUS OR FOR ANY OTHER STATEMENT, MADE OR PURPORTED TO BE MADE BY ANY JOINT LEAD MANAGER, THE TRUSTEE OR ANY OF THE AGENTS, OR ANY OF THEIR RESPECTIVE DIRECTORS, AFFILIATES, ADVISERS OR AGENTS OR ON ITS BEHALF IN CONNECTION WITH THE ISSUER OR HCFB ON THE ISSUE AND OFFERING OF THE NOTES. THE MANAGERS, THE TRUSTEE OR ANY OF THE AGENTS AND THEIR DIRECTORS, AFFILIATES, ADVISERS OR AGENTS ACCORDINGLY DISCLAIMS ALL AND ANY LIABILITY WHETHER ARISING IN TORT OR CONTRACT OR OTHERWISE (SAVE AS REFERRED TO ABOVE) WHICH IT MIGHT OTHERWISE HAVE IN RESPECT OF THIS DRAWDOWN PROSPECTUS OR ANY SUCH STATEMENT.

EACH PERSON CONTEMPLATING MAKING AN INVESTMENT IN THE NOTES MUST MAKE ITS OWN INVESTIGATION AND ANALYSIS OF THE CREDITWORTHINESS OF HCFB AND THE ISSUER AND ITS OWN DETERMINATION OF THE SUITABILITY AND RISKS 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 AND WILL NOT BE 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 OR WILL ANY OF THE FOREGOING AUTHORITIES PASS UPON OR ENDORSE THE MERITS OF THE NOTES OR THE ACCURACY OR THE ADEQUACY OF THIS DRAWDOWN PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES (“RSA”) WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

SUBSCRIPTION AND SALE

The Managers have, severally but not jointly, pursuant to the terms and conditions set forth in a subscription agreement, dated 15 October 2013 (the “**Subscription Agreement**”), agreed with the Issuer and HCFB, subject to the satisfaction of certain conditions set forth therein, to subscribe and pay for the Notes at the issue price of 100 per cent. of the principal amount of the Notes. HCFB has agreed to pay certain commissions, fees, costs and expenses in connection with the Subordinated Loan and the offering of the Notes and to reimburse the Managers, the Issuer, the Agents and the Trustee for certain of their expenses in connection with the offering of the Notes. HCFB has agreed to pay to the Managers a combined management and underwriting commission in connection with the issuance of the Notes. The Managers are entitled to be released and discharged from their obligations under the Subscription Agreement in certain circumstances prior to payment being made to the Issuer.

CONTENTS

	Page
RISK FACTORS	1
DOCUMENTS AND INFORMATION INCORPORATED BY REFERENCE	5
TERMS AND CONDITIONS OF THE NOTES	6
ISSUE TERMS OF THE NOTES	10
LOAN AGREEMENT	13
RECENT DEVELOPMENTS	35
GENERAL INFORMATION	36

RISK FACTORS

Investment in the Notes involves a high degree of risk. Prospective investors should consider carefully, among other things, the risks set forth below and the other information contained in this Drawdown Prospectus (including the Base Prospectus, incorporated by reference herein – see “Documents Incorporated by Reference”) prior to making any investment decision with respect to the Notes.

Attention is drawn particularly to the information under the heading “Risk Factors” on pages 1 to 21 (inclusive) of the Base Prospectus, which must be read in conjunction with the additional risk factors set out below.

In a number of situations, which neither HCFB nor the Issuer can always control, these risks may come to pass and may have a negative effect on HCFB’s ability to service payment obligations under the Loan Agreement and, as a result, on the Issuer’s ability to service payment obligations on the Notes. In addition, the value of the Notes could decline due to any of these risks, and the Noteholders may lose some or all of their investment.

Prospective investors should note that the risks described under the heading “Risk Factors” on pages 1 to 21 (inclusive) of the Base Prospectus and those described below) are not the only risks HCFB and the Issuer face. HCFB and the Issuer have described only the risks they consider to be material. However, there may be additional risks that HCFB and the Issuer currently consider immaterial or of which they are not currently aware, and any of these risks could have the effect set forth above.

Risks Relating to the Notes

Defined terms in this section of the risk factors, entitled “*Risks Relating to the Notes*”, have the meanings given them in the Loan Agreement.

The Notes may be redeemed prior to their scheduled maturity due to uncertainties surrounding Russian regulatory capital regulations or on account of changes in Russian tax laws

Under the current bank capital regulations, the Subordinated Loan will be included into tier 2 capital (*dopolnitelny kapital*) (i) prior to the 215-P Disapplication Date (as defined in the Loan Agreement) as 215-P Tier 2 Capital and 395-P Tier 2 Capital (as defined in the Loan Agreement) and (ii) after the 215-P Disapplication Date as 395-P Tier 2 Capital after the CBR approves it as eligible for inclusion into tier 2 capital (*dopolnitelny kapital*) of HCFB but not earlier than the date upon which the full loan amount is transferred to HCFB, i.e. after the settlement date for the Notes.

Pursuant to CBR Regulation No. 215-P dated 10 February 2003 “On the method of determination of own funds (capital) of credit organisations” (as amended, supplemented or replaced from time to time) (“**Regulation No. 215-P**”) and Regulation No. 395-P dated 28 December 2012 “On the methodology for determining the amount and evaluating adequacy of own funds (capital) of credit organisations (“**Basel III**”)” (as amended, supplemented or replaced from time to time) (“**Regulation No. 395-P**”, and together with Regulation No. 215-P, “**Regulatory Capital Regulations**”), the proceeds of the Loan Agreement can only be treated as HCFB’s tier 2 capital (*dopolnitelny kapital*) upon the receipt of a final conclusion from the CBR, which should be granted (or denied) within 30 days of a written application for the same being submitted by HCFB. Usually, following the review of the draft of a subordinated loan agreement submitted to the CBR, the CBR would provide a preliminary written approval and conclusion (*zakluchenie*) on the regulatory capital treatment of the relevant subordinated loan (the “**preliminary written approval**”). Although HCFB has received preliminary written approval of the draft Loan Agreement, there can be no guarantee that the CBR will grant the Final Conclusion in respect of the Loan Agreement as the Regulatory Capital Regulations set out certain additional requirements (including with respect to the tenor, early termination provisions and interest rate) that the Loan Agreement needs to satisfy. In particular, the Regulatory Capital Regulations require that the interest rate payable under the Loan Agreement is not materially different from the average interest rate payable in connection with similar transactions. Should HCFB fail to receive the Final Conclusion within 90 days of the date of the Loan Agreement, the loan will be reclassified as senior and be pre-payable at HCFB’s option, pursuant to Clause 6.2.2 of the Loan Agreement. The exercise of such prepayment right would result in early redemption of the Notes.

The Loan Agreement could also lose its eligibility for inclusion into HCFB’s tier 2 capital (*dopolnitelny kapital*) subsequent to the receipt by HCFB of the Final Conclusion, 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, Regulation 395-P or other applicable requirements of the CBR the Loan Agreement and the Subordinated Loan would fully cease to qualify (i) prior to the 215-P Disapplication Date as 215-P Tier 2 Capital and 395-P Tier 2 Capital and (ii) from the 215-P Disapplication Date as 395-P Tier 2 Capital. Clause 6.2.3 of the Loan Agreement provides for the prepayment of the Subordinated Loan in such circumstances following inclusion into HCFB’s tier 2 capital (*dopolnitelny kapital*), subject to the prior written consent of the CBR (as required by the Regulatory Capital Regulations). Furthermore, pursuant to Clause 6.3 of the Loan Agreement, if HCFB were to

be required to make or increase any payment due pursuant to the Loan Agreement as provided in Clauses 7.2 or 7.3 of the Loan Agreement, HCFB may, subject to prior consent of the CBR, prepay the Subordinated Loan in whole (but not in part). The exercise of any such prepayment right would result in the early redemption (in full) of the Notes.

Prepayment and variation of the Subordinated Loan may require the consent of the CBR

Certain provisions of the Loan Agreement providing for the prepayment of the Subordinated Loan are subject to the prior written consent of the CBR, in accordance with the applicable Regulatory Capital Requirements. There can be no guarantee that the consent of the CBR will be received on time and that HCFB will be able to prepay such Subordinated Loan in accordance with relevant provisions of the Loan Agreement.

HCFB's obligations under the 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 (as defined in the Loan Agreement) to the claims of Senior Creditors (as defined in the Loan Agreement) 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 (i) HCFB's share capital and (ii) all other obligations ranking junior or expressed to rank junior to the claims of the Lender pursuant to applicable Russian laws.

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 HCFB ranking senior to the Subordinated Loan have been satisfied. Consequently, HCFB's assets will be available to satisfy its obligations under the 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 HCFB'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 HCFB.

In addition, by virtue of its execution of the 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 HCFB under or in connection with the Loan Agreement.

The Loan Agreement does not limit HCFB'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 HCFB.

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 HCFB.

HCFB anticipates that, from time to time, it will incur additional indebtedness, including unsubordinated indebtedness.

Restricted remedies

The only remedies against HCFB 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 HCFB and/or proving for such debt, and claim, in any consequent liquidation of HCFB;
- (b) upon the bankruptcy or liquidation of HCFB, the revocation of HCFB's general 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 HCFB; or
- (c) to enforce any obligation, condition or provision binding on HCFB under the Loan Agreement (other than any obligation for payment of any principal or interest in respect of the Subordinated Loan), to institute such other proceedings against HCFB as it may think fit, in each case, as more particularly set out in Clause 12 of the Loan Agreement.

In a bankruptcy of HCFB, however, the Issuer's claim in respect of the Subordinated Loan would be subordinated to the claims of Senior Creditors (see “– *HCFB's obligations under the Loan Agreement are subordinated*”).

Interest accrued on the Subordinated Loan and Notes may be cancelled and non-cumulative and the Subordinated Loan and Notes may be subject to write down measures

Pursuant to Clause 8 of the Loan Agreement if a Write Down Event (defined as either of the following: (a) the Common Equity Tier 1 Capital Ratio (as defined in the Loan Agreement) of HCFB is less than 2 per cent. as of a CBR Reporting Date (as defined in the Loan Agreement) or (b) the Agency on Deposit Insurance implements bankruptcy prevention measures in relation to HCFB in accordance with Federal Law No. 175-FZ “On the additional measures on strengthening the stability of the banking system in the period until 31 December 2014” dated 27 October 2008 (as amended or supplemented)) has occurred and is continuing, HCFB will promptly on the Write Down Measure Effective Date (as defined in the Loan Agreement) cancel in whole or in part the interest accrued and not paid to the Issuer and write down in whole or in part the principal amount of the Subordinated Loan to offset its losses provided that HCFB may write down the principal amount of the Subordinated Loan only if, after cancellation of interest accrued in full (together with cancellation of accrued interest on other Write Down Instruments (as defined in the Loan Agreement) in full), the Write Down Event would still be continuing.

Once the principal amount of the Subordinated Loan has been written down in accordance with Clause 8 of the Loan Agreement, the principal amount so written down may not be restored under any circumstances, including where the relevant Write Down Event(s) is(are) no longer continuing. Any interest payment that has been cancelled in accordance with Clause 8 of the Loan Agreement, shall not accumulate or be payable at any time thereafter, including where the relevant Write Down Event(s) is(are) no longer continuing. No Interest shall accrue as long as a Write Down Event(s) is(are) continuing. The accrued interest may be cancelled and the Subordinated Loan may be written down in accordance with Clause 8 of the Loan Agreement on more than one occasion. None of the Issuer, the Trustee or any Noteholder shall have any right to such cancelled or written down amounts whether in a bankruptcy or dissolution of HCFB or otherwise, and such non-payment shall not constitute an event entitling the Issuer to accelerate the Subordinated Loan.

If a Write Down Event (as defined in the Loan Agreement) occurs, the principal amount of the Notes and/or interest amount then due in respect of the Notes (as applicable) will be subject to write-down and cancellation in an amount equal to the principal amount of the Subordinated Loan and/or interest amount then due in respect of the Subordinated Loan so written down and cancelled (as applicable) in accordance with Clause 8 of the Loan Agreement upon the occurrence of a Write-Down Event. Any such write-down will result in the Noteholders losing the relevant interest or principal amount of the Notes so written-down. Accordingly, Noteholders should be aware that they may lose their entire investment in the Notes. In the event that the entire principal amount of the Notes is written down, the Notes will be cancelled.

Consequently, investors may lose all or part of their investment following the occurrence of a Write Down Event. To the extent that part of the principal amount of the relevant Subordinated Loan has been written down, interest will continue to accrue only on the then outstanding principal amount (as so written down) of the Subordinated Loan. Consequently, the amount of interest payable (if any) on the Notes will be correspondingly smaller following implementation of the write down measures.

Neither the Trustee nor any Agent shall have any responsibility for, or liability or obligation in respect of, any loss, claim or demand incurred as a result of or in connection with a Write Down Event or any consequent cancellation of the Notes or write down of any claims in respect thereof, and neither the Trustee nor the Agents shall be responsible for any calculation or determination or the verification of any calculation or determination in connection with the same.

Noteholders will not have any rights against HCFB, the Issuer, the Trustee or the Agents with respect to (i) the repayment of such principal amount of the Notes so written-down or (ii) the payment of interest amounts then due in respect of the Notes (as applicable) so written-down.

Furthermore, upon the occurrence of a Write Down Event and the Write Down Measure Effective Date, Noteholders will not (i) receive any shares or other participation rights in the Issuer or HCFB or be entitled to any other participation in the upside potential of any equity or debt securities issued by the Issuer or HCFB, or (ii) be entitled to any compensation in the event of any further change in Common Equity Tier 1 Capital Ratio or in the event that the bankruptcy prevention measures referred to above are withdrawn, otherwise halted or completed. A write-down of a principal amount of the Notes may occur even if existing preference shares and ordinary shares of HCFB or the Issuer remain outstanding.

The Noteholders may be unable to monitor the Common Equity Tier 1 Capital Ratio of HCFB

Under Regulation No. 395-P, starting from April 2013, Russian banks (including HCFB) need to calculate their capital and assess capital adequacy in accordance with the new methodology set out in Regulation No. 395-P, and submit the relevant accounting forms to the CBR. Accordingly, HCFB will be required to report its Common Equity Tier 1 Capital Ratio to the CBR as of each CBR Reporting Date (as all such terms are defined in the Loan Agreement). However, HCFB is not currently required by law or by the Loan Agreement to disclose the Common Equity Tier 1 Capital Ratio calculated for the purposes of the CBR reporting to any third parties, including the Noteholders, other than the requirement to deliver to the Lender and the Trustee the Write Down Event Notice in connection with the occurrence of the Write Down Event (as all such terms are defined in the Loan Agreement). As HCFB is not required to disclose its Common Equity Tier 1 Capital Ratio to the Noteholders other than in connection with the occurrence of the Write Down Event, the Noteholders will not be able to monitor the Common Equity Tier 1 Capital Ratio of HCFB on an on-going basis.

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:

- 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 Drawdown Prospectus;
- 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;
- 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;
- understand thoroughly the terms of the Notes 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
- 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 write-down and 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 Drawdown Prospectus or incorporated by reference herein.

DOCUMENTS AND INFORMATION INCORPORATED BY REFERENCE

The following documents shall be deemed to be incorporated in, and to form part of, this Drawdown Prospectus:

- (a) the Base Prospectus dated 1 October 2013, which is available for viewing at http://www.ise.ie/debt_documents/Base%20Prospectus_acaef446-6ba3-4277-ab9f-168e8b7726c5.pdf;
- (b) the audited consolidated financial statements of the Issuer as of and for the year ended 31 December 2010 (including the auditors' report thereon and notes thereto), which is available for viewing at [http://www.ise.ie/debt_documents/2010%20Financial%20Statements\(10148149_1\)_6f1e381f-3fb3-4914-94b1-fe45937b833d.PDF](http://www.ise.ie/debt_documents/2010%20Financial%20Statements(10148149_1)_6f1e381f-3fb3-4914-94b1-fe45937b833d.PDF);
- (c) the audited consolidated financial statements of the Issuer as of and for the year ended 31 December 2011 (including the auditors' report thereon and notes thereto), which is available for viewing at [http://www.ise.ie/debt_documents/2011%20Financial%20Statements\(10148125_1\)_8d9c3c93-8305-4744-996e-344521849207.PDF](http://www.ise.ie/debt_documents/2011%20Financial%20Statements(10148125_1)_8d9c3c93-8305-4744-996e-344521849207.PDF); and
- (d) the audited consolidated financial statements of the Issuer as of and for the year ended 31 December 2012 (including the auditors' report thereon and notes thereto), which is available for viewing at [http://www.ise.ie/debt_documents/2012%20Financial%20Statements\(10148133_1\)_e20cd1f9-210b-492c-8386-70e052fa5f07.PDF](http://www.ise.ie/debt_documents/2012%20Financial%20Statements(10148133_1)_e20cd1f9-210b-492c-8386-70e052fa5f07.PDF).

The above documents are also available for viewing at the office of the Principal Paying Agent during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted).

The Base Prospectus dated 1 October 2013 also includes certain information incorporated by reference, comprising the Issuer's audited financial statements as of and for the years ended 31 December 2012, 2011 and 2010 (including the auditors' report thereon and notes thereto), which have been submitted to and filed with the Central Bank.

The Issuer's audited financial statements as of and for the years ended 31 December 2012, 2011 and 2010 may be obtained free of charge from the office of the Principal Paying Agent during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted).

Any statement contained in the Base Prospectus (which is incorporated by reference herein) shall be deemed to be modified or superseded for the purpose of this Drawdown 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 Drawdown Prospectus.

This Drawdown Prospectus must be read in conjunction with the Base Prospectus and full information on HCFB, 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 and the Base Prospectus.

Terms used herein but not otherwise defined shall have the meanings given to them in the Base Prospectus (which is incorporated by reference herein). The Base Prospectus incorporated by reference herein is current only as of its date and the incorporation by reference herein of the Base Prospectus shall not create any implication that there has been no change in HCFB'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.

TERMS AND CONDITIONS OF THE NOTES

The terms and conditions of the Notes shall comprise the “*Terms and Conditions of the Notes*” (the “**Conditions**”) set out in the Base Prospectus dated 1 October 2013 which are incorporated by reference herein, as modified and completed by (i) the modifications outlined in the section of this Drawdown Prospectus entitled “*Amendments to the Terms and Conditions with respect to the Series 3 Notes*” and (ii) the issue terms of the Notes set out in the “*Issue Terms of the Notes*” section (the “**Issue Terms of the Notes**”).

All references in this Drawdown Prospectus or in the Base Prospectus (which is incorporated by reference herein) to **Conditions** or to a numbered **Condition** shall be to the Conditions or the relevant numbered Condition, respectively, as modified and completed by the Issue Terms of the Notes. References in the Conditions, this Drawdown Prospectus and the Base Prospectus to **Final Terms** (in respect of a Senior Series) or **Drawdown Prospectus** (in respect of a Subordinated Series) (as the case may be) shall be to the Issue Terms of the Notes.

AMENDMENTS TO THE TERMS AND CONDITIONS WITH RESPECT TO THE SERIES 3 NOTES

With respect to the Series 3 Notes only, the Terms and Conditions of the Notes appearing on pages 164 to 176 (inclusive) of the Base Prospectus will be amended as follows:

With respect to the Notes only, the following shall be added as a new Condition 1.8 in Schedule 3 of the Principal Trust Deed:

“Noteholders are deemed to have notice of, and to have accepted that, the Issuer and the Trustee shall be entitled to rely on an Officers’ Certificate (as defined in the relevant Loan Agreement) as to whether or not a Write Down Event has occurred.”

The following italicised text shall be added at the end of Condition 5

“Clause 8 of the Loan Agreement provides that if a Write Down Event (as defined in the Loan Agreement) has occurred and is continuing, on the Write Down Measure Effective Date (as defined in the Loan Agreement) any accrued and unpaid interest payable in respect of the Loan shall not be repaid and shall not accumulate as a result of the full or partial termination of Home Credit’s obligations under the Loan Agreement to repay the amounts of accrued and unpaid interest under the Loan and Home Credit shall Cancel the Interest Cancellation Amount for the purposes of the Interest Cancellation Measure, as all such terms are defined in the Loan Agreement. Any interest payment that has been Cancelled (as defined in the Loan Agreement) in accordance with Clause 8 of the Loan Agreement shall not accumulate or be payable at any time thereafter, including where the relevant Write Down Event(s) is(are) no longer continuing. No interest shall accrue as long as a Write Down Event(s) is(are) continuing. In such circumstances the Issuer shall have no right to any such Cancelled interest. Consequently where interest is Cancelled or no longer accrues due to a Write Down Event continuing under the Loan Agreement, no corresponding payment of interest will be made pursuant to the Notes”.

Condition 6(d) shall be deleted in its entirety and replaced with the following

“**Call Option** If Call Option is specified as being applicable hereon and in the relevant Loan Agreement, then Home Credit may at its option (the “**Call Option**”) at the Reset Date (as defined in the Loan Agreement), on giving not less than 30 nor more than 60 days’ irrevocable notice to the Issuer (the “**Call Option Notice**”), repay the Loan in whole (but not in part). The Call Option Notice shall specify the date for repayment of the Loan and the date for the redemption of the Notes (the “**Call Redemption Date**”). Immediately on receipt of the Call Option Notice, the Issuer shall forward it to the Noteholders, the Trustee and the Principal Paying Agent. If the Loan should become repayable following exercise of the Call Option by Home Credit (and be repaid) prior to the Repayment Date, the Notes will thereupon become due and repayable at the Call Redemption Amount specified hereon and the Issuer shall, subject to receipt of such amounts from Home Credit under the Loan, redeem the Notes on the Call Redemption Date, subject as provided in Condition 7.”

The following shall be added as a new Condition 6(h):

“**Write Down:** Pursuant to Clause 8 of the Loan Agreement, if a Write Down Event has occurred and is continuing, on the Write Down Measure Effective Date Home Credit’s obligations under the Loan Agreement to repay the principal amount of the Loan shall be terminated in full or in part to the extent required to offset losses of Home Credit and Home Credit shall, if the Interest Cancellation Measure, together with cancellation of accrued interest on other Write Down Instruments in full is insufficient to remedy the Write Down Event, Write Down the Write Down Amount for the purposes of the Principal Write Down Measure, as all such terms are defined in the Loan Agreement. To the extent that, pursuant to Clause 8 of the Loan Agreement, the principal amount of the Loan (together with any interest thereon) is reduced, then the principal amount of each of the Notes will be written down on a *pro rata* basis, upon such reduction of the Loan, without any further payments due on such principal amount of each Note that is written down.”

The following shall be added as a new Condition 6(i):

“**Write-down of the Notes following a Write Down Event:** Following receipt by the Issuer and the Trustee of a Write Down Event Notice under the Loan Agreement (as defined therein), the Issuer shall promptly and no later than one Business Day after the date of receipt of such Write Down Event Notice give notice to the Agents and the Noteholders, in accordance with Condition 14, of the details contained in such Write Down Event Notice.

Following receipt by the Issuer and the Trustee of a Write Down Measure Notice under the Loan Agreement (as defined therein), the Issuer shall promptly and no later than one Business Day after the date of receipt of such Write Down Measure Notice give notice to the Agents and the Noteholders in accordance with Condition 14 that on the relevant Write Down Measure Effective Date (as defined in the Loan Agreement and as set out in the Write Down Measure Notice):

- (a) interest on the Notes, in an amount equal to the interest under the Loan being cancelled; shall be automatically cancelled on the Write Down Measure Effective Date, and all references to accrued and unpaid interest in the Conditions, the Trust Deed, the Agency Agreement and the Notes shall be construed accordingly;
- (b) as applicable, a principal amount of the Notes, in an amount equal to the principal amount of the Loan being written down, shall automatically be written down on the Write Down Measure Effective Date and (where such principal amount is the entire principal amount of the Notes) such Notes shall be cancelled, and all references to the outstanding principal amount of the Notes in the Conditions, the Trust Deed, the Agency Agreement and the Notes shall be construed accordingly;
- (c) the Noteholders shall be deemed to irrevocably waive their right to receive, and no longer have any rights against the Issuer or any other party with respect to repayment of such principal amount of the Notes and accrued and unpaid interest, in each case so written down or cancelled, as the case may be, pursuant to paragraphs (a) and (b) above; and
- (d) all rights and claims of the Noteholders for and to payment of any amounts under or in respect of the Notes (including, without limitation, accrued and unpaid interest) subject to write down or cancellation pursuant to this Condition as set out in the Write Down Measure Notice, and all corresponding rights of the Noteholders to instruct the Trustee to exercise any rights in respect of such amounts, shall be extinguished and shall become null and void, irrespective of whether such amounts have become due and payable prior to the relevant Write Down Measure Notice or the Write Down Measure Effective Date.

Neither the Trustee nor any Agent shall have any responsibility for, or liability or obligation in respect of, any loss, claim or demand incurred as a result of or in connection with a Write Down Event or any Write Down Measures or any consequent cancellation of the Notes or write down of any claims in respect thereof, and neither the Trustee nor the Agents shall be responsible for any calculation or determination or the verification of any calculation or determination in connection with the same. Notwithstanding any other provision of these Conditions, an Interest Cancellation or a Write Down shall not constitute an Acceleration Event (or a Potential Acceleration Event) (each as defined in the Loan Agreement) or a default under the Loan Agreement.”

For the purposes of the Notes, the following amendments or clarifications will apply:

Each of the Principal Trust Deed, Facility Agreement and Agency Agreement, as defined in the Terms and Conditions, are references to such documents dated 1 October 2013;

Copies of the Trust Deed, the Facility Agreement, each Loan Supplement, the Agency Agreement and the Final Terms are available for inspection during normal business hours at the principal offices of the Trustee and at the specified offices of the Paying Agents in London and New York;

In Condition 1.6, the words “or Write Down Event (as defined in the relevant Subordinated Loan Agreement and in the case of a Subordinated Series only)” are deleted;

Reference in Condition 4 to the “Central Bank of the Russian Federation” is to the “Central Bank of Russia”;

The fourth paragraph of Condition 7 shall be amended so that it shall read as follows:

“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.”

and in the italicised text that immediately precedes the Terms and Conditions in the Base Prospectus, reference to “*subject to completion and as completed by*” shall read “*subject to completion and as supplemented in accordance with*”, and reference to “*(ii) these Conditions as so completed*” shall read “*(ii) these Conditions as so completed or supplemented*”.

With respect to the Series 3 Notes only, the Terms and Conditions of the Notes whilst in Global Form will be amended as follows:

The following is to be added to the Series 3 Regulation S Global Note:

“Suspension of settlement following notice of Write Down Event

On the date of receipt by Euroclear, Clearstream, Luxembourg or any Alternative Clearing System (as the case may be) from the Issuer for onward transmission to the accountholders of the notice specifying the Write Down Measure Effective Date (the “**Suspension Date**”), such clearing system(s) shall suspend all clearance and settlement of the Notes until the Business Day after the Write-Down Measure Effective Date

(being a Business Day on which Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be) is open for business) (the “**Suspension Period**”). Neither Noteholders nor accountholders will be entitled to settle the transfer of any Notes from the Suspension Date, and any sale or other transfer of the Notes that a Noteholder or accountholder may have initiated prior to the Suspension Date that is scheduled to settle during the Suspension Period will be rejected by Euroclear, Clearstream, Luxembourg, or such Alternative Clearing System (as the case may be) and will not be settled within Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be).

Write down of principal amount of the Notes following a notice of Write Down Event

On the Write Down Measure Effective Date, the principal amount of the Notes in an amount equal to the principal amount of the Subordinated Loan being written down selected in accordance with the standard operating procedures of Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be) shall automatically be written down and (where such principal amount is the entire principal amount of the Notes) such Notes shall be cancelled, and all references to the outstanding principal amount of the Notes shall be construed accordingly.”

The following is to be added to the Series 3 Rule 144A Global Note:

“Suspension of settlement following notice of Write Down Event

On the date of receipt by DTC or any Alternative Clearing System (as the case may be) from the Issuer for onward transmission to the accountholders of the notice specifying the Write Down Measure Effective Date (the “**Suspension Date**”), such clearing system(s) shall suspend all clearance and settlement of the Notes until the Business Day after the Write-Down Measure Effective Date (being a Business Day on which DTC or such Alternative Clearing System (as the case may be) is open for business) (the “**Suspension Period**”). Neither Noteholders nor accountholders will be entitled to settle the transfer of any Notes from the Suspension Date, and any sale or other transfer of the Notes that a Noteholder or accountholder may have initiated prior to the Suspension Date that is scheduled to settle during the Suspension Period will be rejected by DTC or such Alternative Clearing System (as the case may be) and will not be settled within DTC or such Alternative Clearing System (as the case may be).

Write down of principal amount of the Notes following a notice of Write Down Event

On the Write Down Measure Effective Date, the principal amount of the Notes in an amount equal to the principal amount of the Subordinated Loan being written down selected in accordance with the standard operating procedures of DTC or such Alternative Clearing System (as the case may be) shall automatically be written down and (where such principal amount is the entire principal amount of the Notes) such Notes shall be cancelled, and all references to the outstanding principal amount of the Notes shall be construed accordingly.

ISSUE TERMS OF THE NOTES

EURASIA CAPITAL S.A. (THE “ISSUER”)

a public limited liability company (*société anonyme*) incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 46A avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg

Issue of U.S.\$200,000,000 Loan Participation Notes due 2021
under a U.S.\$2,500,000,000 Programme for the Issuance of Loan Participation Notes by the Issuer
for the purpose of financing a Loan to
HOME CREDIT & FINANCE BANK LIMITED LIABILITY COMPANY (“Home Credit”)

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Base Prospectus dated 1 October 2013 and incorporated by reference in relation to the Notes only into a Series 3 prospectus dated 15 October 2013 (the “Series 3 Prospectus”) as modified in accordance with the section of the Series 3 Prospectus entitled “Amendments to the Terms and Conditions with respect to the Series 3 Notes”. The Series 3 Prospectus 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:	EURASIA CAPITAL S.A.
2	Series Number:	3
3	Specified Currency:	U.S. Dollars
4	Aggregate Nominal Amount:	U.S.\$200,000,000
5	Issue Price:	100 per cent. of the aggregate principal amount of the Notes
6	(i) Specified Denominations:	U.S.\$200,000 and higher integral multiples of U.S.\$1,000 in excess thereof
	(ii) Calculation Amount:	U.S.\$1,000
7	(i) Issue Date:	17 October 2013
	(ii) Interest Commencement Date:	17 October 2013
8	Maturity Date:	19 April 2021
9	Interest Basis:	10.50 per cent. Fixed Rate to (but excluding) the Reset Date (as defined in the Loan Agreement) and at the relevant Rate of Interest (determined in accordance with Clause 5 of the Loan Agreement) thereafter. Further particulars specified below
10	Redemption/Payment Basis:	Redemption at par subject to the application of any Write Down Measure pursuant to Clause 8 of the Loan Agreement
11	(i) Status of the Notes:	Senior
	(ii) Status of the Loan:	Subordinated
	(iii) Date Board approval for issuance of Notes obtained	4 October 2013
12	Additional Financial Centres (Condition 7):	New York City

PROVISIONS RELATING TO INTEREST PAYABLE UNDER THE NOTES

13	Fixed Rate Note Provisions:	Applicable
	(i) Rates of Interest:	10.50 per cent. per annum payable semi-annually in arrear to (but excluding) the Reset Date and at the relevant Rate of Interest (determined in accordance with Clause 5 of the Loan Agreement) per annum payable semi-annually in arrear thereafter.

- | | | |
|-----------|-------------|------------|
| 14 | Call Option | Applicable |
|-----------|-------------|------------|

15	Final Redemption Amount of each Note:	U.S.\$1,000 per Calculation Amount subject to the application of any Write Down Measure pursuant to Clause 8 of the Loan Agreement
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- | | |
|---|---|
| <p>16 Early Redemption Amount(s) of each Note payable if the Loan should become repayable under the Loan Agreement prior to the Maturity Date:</p> | <p>U.S.\$1,000 per Calculation Amount plus accrued interest and additional amounts, if any, in case of early redemption under the Loan Agreement in accordance with Clauses 6.2.1 and 6.2.3 of the Loan Agreement, or U.S.\$1,010 per Calculation Amount plus accrued interest and additional amounts, if any, in case of early redemption under the Loan Agreement in accordance with Clause 6.2.2 of the Loan Agreement, in each case subject to the application of any Write Down Measure pursuant to Clause 8 of the Loan Agreement</p> |
|---|---|

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

By:_____

By:_____

Signed on behalf of Home Credit:

By: _____

Duly authorised

By:_____

11

PART B – OTHER INFORMATION

1 LISTING

- (i) Listing: Irish Stock Exchange
- (ii) Admission to trading: Application has been made to the Irish Stock Exchange for the Notes to be admitted to the official list and trading on its regulated market with effect from 17 October 2013
- (iii) Estimate of total expenses related to admission to trading: €2,541.20

2 RATINGS

- Ratings: The Notes to be issued will be rated
Fitch: BB-
Fitch is established in the EU and registered under Regulation (EC) No 1060/2009, as amended (the “**CRA Regulation**”)

3 YIELD

- Indication of yield: 10.50 per cent.
- The yield is calculated at the Issue Date on the basis of the Issue Price and in respect of the period to the Reset Date. Calculation of the yield beyond that period is subject to the reset of the Rate of Interest (as defined in the Loan Agreement) at the end of such period. It is not an indication of future yield and does not take account of the application of any Write Down Measure pursuant to Clause 8 of the Loan Agreement

4 OPERATIONAL INFORMATION

- ISIN Code: Regulation S: XS0981028177
Rule 144A: US29843LAC72
- Common Code: Regulation S: 098102817
Rule 144A: 098218521
- CUSIP Code 29843L AC7

LOAN AGREEMENT

This Subordinated Loan Agreement is made on 15 October 2013 between:

- (1) **HOME CREDIT & FINANCE BANK LIMITED LIABILITY COMPANY**, a limited liability company established under the laws of the Russian Federation whose registered office is Pravdy Street 8/1, Moscow, 125040, Russian Federation (“**Home Credit**”); and
- (2) **EURASIA CAPITAL S.A.**, a public limited liability company (*société anonyme*) incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 46A avenue J.F. Kennedy, L 1855 Luxembourg, Grand Duchy of Luxembourg, and registered with the register of commerce and companies of Luxembourg under number B104488 (the “**Lender**”, which expression, where the context so admits, includes any successor Lender pursuant to the terms of this Agreement and the Lender acting in its capacity as issuer of Notes).

Whereas

- (A) The Lender has at the request of Home Credit made available to Home Credit an unsecured subordinated loan facility in the amount of U.S.\$200,000,000 under the Programme (as defined below) on the terms and subject to the conditions of this Agreement.
- (B) It is intended that, concurrently with the extension of the Loan (as defined below) under this subordinated loan facility, the Lender will issue certain loan participation notes in the same aggregate nominal amount and bearing the same rate of interest as such Loan.
- (C) Home Credit intends the Loan to be qualified as 215-P Tier 2 Capital (as defined below), to the extent applicable, and 395-P Tier 2 Capital (as defined below).
- (D) The Lender and Home Credit have agreed that, on the occurrence of a Bankruptcy Event (as defined below), the claims of the Lender in respect of principal of, and interest on, the Loan shall be subordinated to the claims of Senior Creditors (as defined below) of Home Credit in the manner set out in 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 below:

“**215-P Disapplication Date**” means the date on which provisions of Regulation No. 215-P in relation to 215-P Tier 2 Capital cease to be in effect.

“**215-P Tier 2 Capital**” means additional capital (*dopolnitelny kapital*) of Home Credit within the meaning of paragraph two of Section 3.11.1 of Regulation No. 215-P.

“**395-P Tier 2 Capital**” means additional capital (*dopolnitelny kapital*) of Home Credit within the meaning given to it in Regulation No. 395-P.

“**Acceleration Event**” has the meaning assigned to such term in Clause 11.

“**Account**” means the account in the name of the Lender with the Principal Paying Agent to be specified in the Supplemental Trust Deed, or such other account as may from time to time be agreed by the Lender and the Trustee pursuant to the Trust Deed, and notified in writing to Home Credit at least five Business Days in advance of such change.

“**Advance**” has the meaning set out in Clause 4.1.

“**Affiliate**” of any specified Person means (i) any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person or (ii) any other Person who is a director or officer (a) of such specified Person, (b) of any Subsidiary of such specified Person or (c) of any Person described in (i) above. For the purposes of this definition, “**control**” when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “**controlling**” and “**controlled**” have meanings correlative to the foregoing.

“**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 or supra-national body.

“**Agency Agreement**” means the amended and restated agency agreement relating to the Programme dated 1 October 2013 between the Lender, the Trustee, the Principal Paying Agent and the other agents named therein, as may be amended or supplemented from time to time.

“**Approval Date**” has the meaning set out in Clause 3.2.

“Assignment” means the assignment by the Lender in favour of the Trustee of the rights of the Lender under this Agreement.

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

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

“Benchmark Treasury” means actively traded U.S. Treasury securities with maturity on or closest to the date that falls five years after the Closing Date or, as applicable, from the Reset Date to the Repayment Date, as selected, with respect to the Reset Date, by the Calculation Agent on the Interest Determination Date.

“Business Day” means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in New York, London, Grand Duchy of Luxembourg and Moscow.

“Calculation Agent” means The Bank of New York Mellon, London Branch.

“Capital Stock” means, with respect to any Person, any and all 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 Reporting Date” means the first day of each month or other date as of which pursuant to the applicable CBR regulations Home Credit is required to report its Common Equity Tier 1 Capital Ratio to the CBR.

“Central Bank” or **“CBR”** means the Central Bank of the Russian Federation 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.

“Closing Date” means 17 October 2013.

“Common Equity Tier 1 Capital Ratio” means, as of any CBR Reporting Date, the Common Equity Tier 1 Capital as of such CBR Reporting Date, divided by the Risk Weighted Assets as of such CBR Reporting Date, expressed as a percentage, determined by Home Credit pursuant to Regulation No. 395-P for the purposes of a Write Down Event.

“Common Equity Tier 1 Capital” means, as of any CBR Reporting Date, the aggregate amount, in Roubles, of items that constitute common equity tier 1 capital (*bazoviy kapital osnovnogo kapitala*) of Home Credit as of such CBR Reporting Date, less any deductions from common equity tier 1 capital required to be made, in each case as determined by Home Credit pursuant to Regulation No. 395-P.

“Conditions” means the terms and conditions of the Notes.

“Dealer Agreement” means the amended and restated dealer agreement relating to the Programme dated 1 October 2013 between the Lender, Home Credit, the Arrangers named therein and the other dealers appointed pursuant to it, as may be amended or supplemented from time to time.

“Dispute” has the meaning assigned to it in Clause 14.9.

“Dollars”, **“U.S. Dollars”** and **“U.S.\$”** mean the lawful currency of the United States of America.

“Duplicate Register” means the register maintained by the Issuer at its registered office in respect of the Notes.

“Facility” means the subordinated term loan facility granted by the Lender to Home Credit as specified in Clause 2.

“Fees and Expenses Side Agreement” has the meaning given to it in the Subscription Agreement.

“Fee Side Letter” means the amended and restated fee side letter dated 1 October 2013 entered into between Home Credit, the Lender, the Trustee and the Agents named therein in respect of the Programme.

“Final Conclusion” means the final conclusion (*zaklucheniye*) of the CBR confirming the final unconditional approval by the CBR of this Agreement and the Loan as a subordinated loan eligible for inclusion into own funds (capital) of Home Credit as (i) 215-P Tier 2 Capital if such conclusion is issued by the CBR prior to the 215-P Disapplication Date and (ii) 395-P Tier 2 Capital.

“Group” means Home Credit and its consolidated Subsidiaries taken as a whole.

“IFRS” means the International Financial Reporting Standards issued by the International Accounting Standards Board (as amended, supplemented or re-issued from time to time).

“incur” means issue, assume, guarantee, incur or otherwise become liable for.

“Insolvency Law” means 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).

“Interest Cancellation” has the meaning set out in Clause 8.1.

“Interest Cancellation Amount” means all or such part of the amount of the interest accrued hereunder that is determined by Home Credit as necessary to be cancelled (in conjunction with any other interest cancellation measures taken in respect of other Write Down Instruments) in order to immediately remedy the Write Down Event accrued to (but excluding) the Write Down Measure Effective Date.

“Interest Cancellation Measure” has the meaning given to it in Clause 8.1.

“Interest Determination Date” means the second business day in New York (being a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business generally in New York) immediately preceding the Reset Date.

“Interest Payment Date” means 17 April and 17 October of each year in which the Loan remains outstanding, commencing on 17 April 2014 and ending on the Repayment Date, save that, in respect of the Interest Payment Date that would otherwise fall on 17 April 2021, such Interest Payment Date shall instead fall on 19 April 2021.

“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.

“Lender Agreements” means this Agreement, the Trust Deed, the Agency Agreement, the Dealer Agreement and the Subscription Agreement.

“Loan” means, at any time, an amount equal to the aggregate principal amount of the Facility advanced by the Lender pursuant to this Agreement and outstanding at such time.

“Margin” means 903 basis points.

“Material Subsidiary” means any Subsidiary of Home Credit which (i) in accordance with IFRS, as consistently applied, would be consolidated into Home Credit’s consolidated financial statements, and (ii):

- a) has gross income representing 10 per cent. or more of the consolidated gross income of the Group; or
- b) has total assets representing 10 per cent. or more of the consolidated total assets of the Group,

in each case calculated on a consolidated basis in accordance with IFRS, as consistently applied.

Compliance with the conditions set out in paragraphs (a) and (b) above shall be determined by reference to the latest consolidated annual or, as the case may be, audited or unaudited consolidated interim financial statements of that Subsidiary and the latest audited consolidated annual or, as the case may be, audited or unaudited consolidated interim financial statements of the Group; *provided, however, that* an Officers’ Certificate that a Subsidiary of Home Credit is or is not a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

“Noteholder” means, in relation to a Note, the person in whose name such Note is registered in the Register of the noteholders (or in the case of joint holders, the first named holder thereof), or in the Duplicate Register if different from the Register.

“Notes” means the U.S.\$200,000,000 subordinated loan participation notes due 2021 proposed to be issued by the Lender pursuant to the Trust Deed.

“Officers’ Certificate” means a certificate signed by two officers of Home Credit at least one of whom shall be the principal executive officer, principal accounting officer or principal financial officer of Home Credit.

“Original Principal Amount” means, in respect of the Loan, its principal amount on the Closing Date not taking into account any Write Down or any other write down or cancellation in accordance with the terms of this Agreement.

“Outstanding Principal Amount” means, in relation to the Loan, the Original Principal Amount, as reduced from time to time by any Write Downs or any other write down or cancellation pursuant to the terms of the Loan, as the case may be, in accordance with the terms of this Agreement.

“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 other entity, whether or not having separate legal personality.

“Potential Acceleration Event” means any event which is, or after notice given hereunder or the passage of time or the making of any determination would be, an Acceleration Event.

“Principal Paying Agent” means The Bank of New York Mellon, London Branch or any other principal paying agent appointed from time to time in connection with the issuance of the Notes.

“Principal Trust Deed” means the amended and restated principal trust deed dated 1 October 2013 between the Lender and the Trustee, as it may be amended or supplemented from time to time.

“Principal Write Down Measure” has the meaning set out in Clause 8.1.

“Programme” means the programme for the issuance of loan participation notes of the Lender.

“Qualifying Jurisdiction” means any jurisdiction in which the Lender or any successor thereto is entitled to receive payment of interest on the Loan under a double taxation agreement in force on such date (subject to the completion of any necessary procedural formalities) providing for full exemption from Russian withholding tax on interest derived from a source within the Russian Federation to a resident of such jurisdiction.

“Rate of Interest” means the rate per annum (as reported in writing to the Lender and Home Credit by the Calculation 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 Margin. Pursuant to such approach, the Rate of Interest from the Closing Date to (but excluding) the Reset Date will be 10.50 per cent. per annum.

“Register” means the register maintained by the Registrar in respect of the Notes.

“Registrar” means The Bank of New York Mellon (Luxembourg) S.A.

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

“Regulation No. 395-P” means CBR Regulation No. 395-P dated 28 December 2012 “On the methodology for determining the amount and evaluating adequacy of own funds (capital) of credit organisations (“Basel III”)” (as amended, supplemented or replaced from time to time).

“Repayment Date” means 19 April 2021.

“Reset Date” means 17 April 2019.

“Reserved Rights” has the meaning assigned to such term in the Trust Deed and the Conditions.

“Risk Weighted Assets” means, as of any CBR Reporting Date, the aggregate amount, in Roubles, of risk-weighted assets of Home Credit as of such CBR Reporting Date, as determined by Home Credit pursuant to Regulation No. 395-P for the purposes of Write Down Event.

“Rouble” means the lawful currency of Russia.

“Russia” shall mean the Russian Federation and any province or political subdivision or Agency thereof or therein, and **“Russian”** shall be construed accordingly.

“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 determine to be customary for the settlement of international transactions in New York City of the type contemplated hereby.

“Security” means the security granted by the Lender to the Trustee over rights of the Lender under this Agreement, including an assignment of such rights in favour of the Trustee.

“Senior Creditors” means all creditors of Home Credit other than creditors of Home Credit whose claims are in respect of (i) the share capital of Home Credit or (ii) other obligations equal with or junior to the claims of the Lender under this Agreement pursuant to Russian law.

“Specified Currency” means U.S. dollars.

“Stock Exchange” has the meaning given to it in the Dealer Agreement.

“Subscription Agreement” means the subscription agreement relating to the Notes dated 15 October 2013 between the Lender, Home Credit and the Managers named therein.

“Subsidiary” of any specified Person means any corporation, partnership, joint venture, association or other business entity, whether now existing or hereafter organised or acquired, (a) in the case of a corporation, of which at least 50 per cent. of the total voting power of the Voting Stock is held by such first-named Person and/or any of its Subsidiaries and such first-named Person and/or any of its Subsidiaries has the power to direct the management, policies and affairs thereof; (b) in the case of a partnership, joint venture, association, or other business/entity, with respect to which such first-named Person or any of its Subsidiaries has the power to direct or cause the direction of the management and policies of such entity by contract or otherwise if (in each case) in accordance with IFRS such entity would be consolidated with the first-named Person for financial statement purposes.

“Supplemental Trust Deed” means the supplemental trust deed which supplements and secures, *inter alia*, the Notes dated 17 October 2013 and made between the Lender and the Trustee.

“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, Grand-Duchy of Luxembourg or any tax authority thereof or therein *provided, however, that* for the purposes of this definition the references to the Grand-Duchy of Luxembourg shall, upon the occurrence of a Relevant Event (as this term is defined in the 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.

“Treasury Rate” means (i) with respect to the Closing Date, a rate equal to the yield on the Benchmark Treasury agreed between Home Credit and the Lender, being 1.47 per cent. and (ii) with respect to the Reset Date a rate equal to the yield, as published by the Board of Governors of the Federal Reserve System, on the Benchmark Treasury. If there is no such publication of this yield during the week preceding the relevant calculation date, the Treasury Rate will be calculated by reference to quotations from selected primary U.S. Treasury securities dealers in New York City selected by the Calculation Agent. The Treasury Rate will be calculated on the Interest Determination Date.

“Trust Deed” means the Principal Trust Deed as supplemented by the Supplemental Trust Deed (and as further amended or supplemented from time to time).

“Trustee” means BNY Mellon Corporate Trustee Services Limited, as Trustee under the Trust Deed and any successor thereto as provided thereunder.

“Voting Stock” means, in relation to any Person, Capital Stock entitled (without the need for the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

“Write Down” has the meaning given to it in Clause 8.1.

“Write Down Amount” means all or such part of Outstanding Principal Amount of the Loan determined by Home Credit as necessary to be written down (in conjunction with any other write down or conversion of, or other write down measures taken in respect of, other Write Down Instruments) in order to offset losses of Home Credit.

“Write Down Event” means either of the following: (a) the Common Equity Tier 1 Capital Ratio of Home Credit is less than 2 per cent. as of a CBR Reporting Date or (b) the Agency on Deposit Insurance implements bankruptcy prevention measures in relation to Home Credit in accordance with Federal Law No. 175-FZ “On the additional measures on strengthening the stability of the banking system in the period until 31 December 2014” dated 27 October 2008 (as amended or supplemented).

“Write Down Event Date” means the first day on which a Write Down Event occurs.

“Write Down Event Notice” means a notice which shall be given by Home Credit to the Lender and the Trustee pursuant to Clause 8.2 and which shall (i) state that the Write Down Event has occurred and (ii) specify the event(s) constituting the Write Down Event including the relevant Common Equity Tier 1 Capital Ratio as of the relevant CBR Reporting Date and/or the nature of the bankruptcy prevention measures the Agency for Deposit Insurance has committed to as applicable and the grounds for application of such bankruptcy prevention measures in relation to Home Credit being substantially in the form set out in Schedule 1 hereto.

“Write Down Instruments” means any obligation (other than the Loan) incurred directly or indirectly by Home Credit which (a) in the case of a Bankruptcy Event ranks or is expressed to rank *pari passu* with the Loan; (b) is subordinated debt which qualifies as 395-P Tier 2 Capital of Home Credit and (c) contains provisions analogous to those in Clause 8 relating to cancellation of interest and a write down of the principal amount of such instrument or which otherwise permit or require the cancellation of interest and write down of such instrument and in respect of which the conditions (if any) to the operation of such provisions are (or with the giving of any certificate or notice which is capable of being given by Home Credit, would be) satisfied.

“Write Down Measure Effective Date” means the date as of which the Write Down Measures become effective and which shall occur on the 30th Business Day in Moscow after the relevant Write Down Event Date.

“Write Down Measure Notice” means a notice which shall be given by Home Credit to the Lender and the Trustee pursuant to Clause 8.2 and which shall specify with reasonable detail (i) the Write Down Measure Effective Date; and (ii) the Write Down Measures being implemented, including any Interest Cancellation Amount and any Write Down Amount, and the basis of calculation being substantially in the form set out in Schedule 2 hereto.

“Write Down Measures” means an Interest Cancellation Measure and/or a Principal Write Down Measure.

1.2 Other Definitions

Unless the context otherwise requires, terms used in this Agreement which are not defined in this Agreement but which are defined in the Trust Deed, the Notes, the Agency Agreement or the Dealer Agreement shall have the meanings assigned to such terms therein.

1.3 Interpretation

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

1.3.1 all references to “Clause” or “sub-clause” are references to a Clause or sub-clause of this Agreement;

1.3.2 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;

1.3.3 words importing the singular number include the plural and vice versa;

1.3.4 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;

1.3.5 the table of contents and the headings are for convenience only and shall not affect the construction hereof;

1.3.6 all references to **“this Agreement”** are references to this Subordinated Loan Agreement dated 15 October 2013;

1.3.7 all references in this Agreement to this Agreement or any other agreement, instrument or document shall be construed as a reference to that agreement, instrument or document as the same may be amended, supplemented, replaced or novated from time to time;

1.3.8 any reference in this Agreement to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

2 Facility

On the terms and subject to the conditions set forth herein, the Lender hereby grants to Home Credit a single disbursement term loan facility in an aggregate amount of U.S.\$200,000,000.

3 Subordination of the Loan

3.1 Subordination

The claims of the Lender against Home Credit in respect of the principal of, and interest on, the Loan will be satisfied, upon the occurrence of a Bankruptcy Event only after the claims of all Senior Creditors are satisfied in accordance with the Insolvency Law and will rank at least *pari passu* with the claims of other unsecured subordinated creditors of Home Credit (whether actual or contingent) having a fixed maturity from time to time outstanding that are not Senior Creditors and, without prejudice to the above, will be senior to the claims of holders of (a) Home Credit’s share capital and (b) all other obligations ranking junior or expressed to rank junior to the claims of the Lender pursuant to applicable Russian laws.

The Lender shall not be entitled to offset any liabilities of Home Credit under this Agreement against any liabilities owing by the Lender to Home Credit.

3.2 Reclassification

If, by the date falling 90 days after the date of this Agreement (the **“Approval Date”**), the CBR has not issued the Final Conclusion, the claims of the Lender against Home Credit in respect of principal of and interest on the Loan shall be treated as senior in priority to any subordinated debt or any form of participation in the share capital of Home Credit and Clauses 3.1, 6.1.2, and 8 and requirement to obtain prior consent of the CBR under Clauses 6.1.1, 6.2.1, 6.2.3, 6.3, 6.4, 14.15(b), 14.15(c) and 15 shall no longer apply.

4 Drawdown

4.1 Drawdown

On the terms and subject to the conditions of this Agreement, on the Closing Date the Lender shall make an advance of U.S.\$200,000,000 (the **“Advance”**) to Home Credit and Home Credit shall make a single drawing in the full amount of the Advance.

4.2 Loan Arrangement Fee

In consideration of the Lender making the Loan available to Home Credit, Home Credit hereby agrees that it shall, by 3:00 p.m. (London time) one Business Day before the Closing Date, pay to the Lender, in Same-Day Funds an arrangement fee (the “**Loan Arrangement Fee**”) in connection with the financing of the Loan. The total amount of the Loan Arrangement Fee is to be as specified in the Fees and Expenses Side Agreement. In the event that the Lender has not received from Home Credit by 3:00 p.m. (London time) one Business Day before the Closing Date an amount in respect of the Loan Arrangement Fee, Home Credit agrees that an amount equal to the Loan Arrangement Fee shall be deducted from the amount of the Loan.

4.3 Disbursement

Subject to the conditions set forth herein, on the Closing Date the Lender shall transfer the amount of the Advance to Home Credit’s account (Beneficiary: Home Credit & Finance Bank Limited Liability Company; Beneficiary Swift: HCFBRUMM; Account Number: 890-0575-204; Beneficiary Bank: The Bank of New York Mellon; SWIFT: IRVTUS3N).

4.4 Ongoing Fees and Expenses

In consideration of the Lender agreeing to make the Loan to Home Credit, Home Credit shall pay on demand to the Lender as and when such payments are due an amount or amounts of ongoing commissions and costs as set forth to Home Credit in an invoice from the Lender, providing, in reasonable detail, the nature and calculation of the relevant payment or expense. For the avoidance of doubt, Home Credit shall pay to the Lender all ongoing costs, charges, liabilities and expenses incurred by the Lender in relation to the Lender Agreements and the Notes as documented in the Fees and Expenses Side Agreement and the Fee Side Letter as well as in relation to the maintenance of its good standing.

4.5 Capital Treatment

To the extent that any part of the Loan is to be treated as 215-P Tier 2 Capital (prior to the 215-P Disapplication Date) and 395-P Tier 2 Capital by Home Credit, Home Credit will use its best efforts to procure that the CBR issue the Final Conclusion for such treatment, and will provide all relevant information about the Loan to the CBR as may be necessary for the issuance of the Final Conclusion.

5 Interest

5.1 Rate of Interest

Subject to Clause 8, Home Credit 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 Rate of Interest.

5.2 Payment of Interest

Interest at the relevant Rate of Interest shall accrue from day to day, starting from (and including) the Closing Date, and in each case interest shall be paid semi-annually in arrear not later than 10:00 a.m. (New York City time) one Business Day prior to each Interest Payment Date. Interest on the Loan will cease to accrue from the Repayment Date (or any date on which the Loan is prepaid pursuant to Clause 6.2 or 6.3) unless payment of principal is improperly withheld or refused, in which event interest shall continue to accrue (before or after judgment) at the relevant Rate of Interest to but excluding the date on which payment in full of the principal thereof is made.

5.3 Calculation of Interest

The amount of interest payable in respect of the Loan for any Interest Period shall be calculated by applying the relevant Rate of Interest to the Loan, dividing the product by two and rounding the resulting figure to the nearest cent (half a cent being rounded upwards). If interest is required to be calculated for any other period, it will be calculated on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of actual days elapsed.

5.4 Publication of Rate of Interest

The Lender and Home Credit shall (unless the Loan has been prepaid in accordance with Clause 6.2 or 6.3) cause notice of the Rate of Interest to be given to the Trustee, the Agents, the Stock Exchange and, in accordance with the Conditions, 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 Reset Date.

6 Repayment and Prepayment

6.1 Repayment

6.1.1 Except as otherwise provided herein:

- (i) Home Credit shall repay the Loan and, to the extent not already paid in accordance with Clause 5.2, any accrued interest to the date of repayment not later than 10:00 a.m. (New York City time) one Business Day prior to the Repayment Date;
- (ii) Home Credit shall not prepay all or any part of the Loan and/or any interest accrued on the Loan (except with the prior consent of the CBR); and
- (iii) this Agreement may not be terminated earlier than the Repayment Date (except with the prior consent of the CBR).

6.1.2 The Loan may not be prepaid, in whole or in part, at Home Credit's option before the 5th anniversary of its inclusion in 215-P Tier 2 Capital and 395-P Tier 2 Capital.

6.1.3 In accordance with Clause 15 of this Agreement:

- (i) 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;
- (ii) no early termination of this Agreement shall be permitted without the prior written consent of the CBR; and
- (iii) no early termination of obligations under this Agreement shall be permitted without the prior written consent of the CBR.

6.2 Prepayment Option

Notwithstanding the provisions of Clause 6.1 above and Clause 15 below, Home Credit may prepay the Loan either:

6.2.1 with the prior written consent of the CBR, on the Reset Date; or

6.2.2 at any time after the Approval Date, but no later than the next Interest Payment Date following the Approval Date, if the CBR does not issue the Final Conclusion to Home Credit on or before the Approval Date; or

6.2.3 with the prior written consent of the CBR, at any time after receipt of the Final Conclusion, 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, Regulation 395-P or other applicable requirements of the CBR this Agreement and the Loan would fully cease to qualify (i) prior to the 215-P Disapplication Date as 215-P Tier 2 Capital and 395-P Tier 2 Capital and (ii) from the 215-P Disapplication Date as 395-P Tier 2 Capital (for the avoidance of doubt, the disapplication of Regulation 215-P on the 215-P Disapplication Date shall not by itself give grounds for prepayment under this Clause 6.2.3),

provided that in each case written notice thereof, together, in the case of a prepayment in accordance with Clause 6.2.2 or 6.2.3 only, 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 more than 60 nor less than 30 days prior to the date of prepayment. Following the delivery of such notice and, if applicable, such Officers' Certificate, Home Credit shall be bound on the prepayment date specified therein to prepay the Loan (in whole but not in part) (i) in case of prepayment pursuant to Clause 6.2.2, at 101% of the principal amount thereof; and (ii) in case of prepayment pursuant to Clauses 6.2.1 and 6.2.3, at the principal amount thereof, in each case together with interest accrued to the date of prepayment and all other sums payable by Home Credit pursuant to this Agreement.

6.3 Prepayment in the event of Taxes or Increased Costs

Notwithstanding the provisions of Clause 6.1 above, if, (a) as a result of the application of or any amendment or clarification to, or change, in the double tax treaty between the Russian Federation and the Grand-Duchy of Luxembourg (the "**Treaty**") or the laws or regulations of the Russian Federation or the Grand Duchy of Luxembourg or of any political sub-division thereof or any authority having the power to tax therein (including as a result of a judgment of a court of competent jurisdiction or a change in or clarification of the application of official interpretation of such laws or regulations) which change or amendment becomes effective on or after the date of this Agreement, (b) as a result of the enforcement of the security provided for in the Trust Deed, Home Credit would, as a consequence of (a) or (b) above, be required to make or increase any payment due pursuant to this Agreement as provided in Clauses 7.2 or 7.3 (other than, in each case, where the increase in payment is in respect of any amounts due or paid pursuant to Clauses 4 and 13), or (c) if (for whatever reason) Home Credit would have to or has been required to pay

additional amounts pursuant to Clause 10, then Home Credit may (without premium or penalty), if it obtains the prior consent of the CBR, upon not less than 10 days' written notice to the Lender (which notice shall be irrevocable) with a copy to the Trustee, together with an Officers' Certificate confirming the existence of the relevant circumstances resulting in such a prepayment, prepay the relevant Loan in whole (but not in part) at the principal amount thereof at any time.

6.4 Reduction of the Loan Upon Cancellation of Notes

Subject to the prior written consent of the CBR, Home Credit may from time to time deliver, or procure the delivery of, Notes held by it (or the global Note representing such Notes held by it as the case may be) to the Lender, together with a request for the Lender to procure cancellation of such Notes (or a specified aggregate principal amounts of Notes where such Notes are represented by a global Note) by the Registrar (which instructions shall be accompanied by evidence satisfactory to the Registrar that Home Credit is entitled to give such instructions), whereupon the Lender shall, pursuant to the Agency Agreement, request the Registrar to cancel such Notes, or specified aggregate principal amount of Notes represented by the global Note, as the case may be. Upon any such cancellation by or on behalf of the Registrar, and with the prior written consent of the CBR, the principal amount of the Loan corresponding to the principal amount of such Notes together with any accrued and unpaid interest and other amounts (if any) thereon shall be deemed extinguished for all purposes as of the date of such cancellation.

6.5 Payment of Other Amounts and Costs of Prepayment

If the Loan is to be prepaid by Home Credit pursuant to any of the provisions of this Clause 6, Home Credit shall, simultaneously with such prepayment, pay to the Lender accrued interest thereon to the date of actual payment and all other sums payable by Home Credit pursuant to this Agreement.

6.6 Provisions Exclusive

Home Credit shall not prepay or repay all or any part of the Loan except in accordance with the express terms of this Agreement. Any amount prepaid may not be re-borrowed under this Agreement.

7 Payment

7.1 Making of Payments

All payments of principal and interest to be made by Home Credit under this Agreement shall be made to the Lender not later than 10:00 a.m. (New York City time) one Business Day prior to each Interest Payment Date or the Repayment Date (as the case may be) in Same-Day Funds to the Account. The Lender agrees with Home Credit that it will not deposit any other monies into the Account and that no withdrawals shall be made from the Account other than as provided for and in accordance with the Trust Deed and Agency Agreement.

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

All payments to be made by Home Credit under this Agreement shall be 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. If Home Credit shall be required by applicable law to make any deduction or withholding from any payment under this Agreement for or on account of any Taxes, it shall increase any payment due under this Agreement to such amount as may be necessary to ensure that the Lender receives a net amount in U.S. 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 evidence of the accounting therefor to the relevant taxing authority. If the Lender pays any amount in respect of such Taxes, Home Credit shall reimburse the Lender in U.S. Dollars for such payment on demand. For the avoidance of doubt, this Clause 7.2 is without prejudice to the obligations of the Lender pursuant to Clauses 7.5 and 7.6.

7.3 Withholding on Notes

If the Lender notifies Home Credit (setting out in reasonable detail the nature and extent of the obligation with such evidence as Home Credit may reasonably require) that it has become obliged to make any withholding or deduction for or on account of any Taxes from any payment which it is obliged to make in connection with the Notes in circumstances where the Lender is required to pay additional amounts pursuant to Condition 7 of the Notes, Home Credit agrees to pay to the Lender, not later than 10:00 a.m. (New York City time) one Business Day prior to the date on which payment by the Lender is due in Same-Day Funds to the Account, such additional amounts as are equal to the said additional amounts which the Lender must pay pursuant to the terms of Condition 7 of the Notes provided, however, the Lender shall,

immediately upon receipt from any Paying Agent of any sums paid pursuant to this provision, to the extent that any holders of the Notes, as the case may be, in respect of the Lender's obligation under the terms and of Condition 7 of the Notes, are not entitled to such additional amounts pursuant to the Conditions of the Notes, repay such additional amounts received from any Paying Agent to Home Credit (it being understood that neither the Lender nor the Principal Paying Agent nor any Paying Agent shall have any obligation to determine whether any holder of the Notes is entitled to such additional amount).

Any notification by the Lender to Home Credit in connection with this Clause 7.3 shall be given as soon as reasonably practicable after the Lender becomes aware of any obligation on it to make any such withholding or deduction.

7.4 Reimbursement

7.4.1 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 Home Credit has made a payment pursuant to this Clause 7, the Lender shall promptly pay to Home Credit so much of the benefit it received as will leave the Lender in substantially the same position as it would have been in had no additional amount been required to be paid by Home Credit pursuant to this Clause 7; provided, however, that the question of whether any such benefit has been received, and accordingly, whether any payment should be made to Home Credit, the amount of any such payment and the timing of any such payment, shall be determined solely by the Lender. The Lender shall have the absolute discretion whether, and in what order and manner, it claims any credits or refunds available to it, and the Lender shall in no circumstances be obliged to disclose to Home Credit any information regarding its tax affairs or computations.

7.4.2 If as a result of a failure to obtain relief from deduction or withholding of any taxes referred to in Clause 7.2: (a) such taxes are deducted or withheld by Home Credit and pursuant to Clause 7.2 an increased amount is paid by Home Credit to the Lender in respect of such deduction or withholding, and (b) following the deduction or withholding of taxes as referred to above, Home Credit applies on behalf of the Lender to the competent taxing authority for a withholding tax refund (Home Credit having notified the Lender of such application) and such withholding tax is refunded or repaid by the relevant taxing authority to the Lender, the Lender shall as soon as reasonably practicable notify Home Credit of the receipt of such withholding tax refund and promptly transfer the actually received amount of the withholding tax refund in the currency actually received and less any applicable costs to a bank account of Home Credit specified for that purpose by Home Credit.

7.5 Representations of the Lender

The Lender is a company which is a resident of the Grand Duchy in Luxembourg, is subject to taxation in the Grand Duchy of Luxembourg on the basis of its registration as a legal entity, location of its board of directors or another similar criterion and it is not subject to taxation in the Grand Duchy of Luxembourg merely on income from sources in the Grand Duchy of Luxembourg or connected with property located in the Grand Duchy of Luxembourg and it will be able to receive certification to this effect from the Grand Duchy of Luxembourg taxing authorities; (b) the Lender does not have a permanent establishment in the Russian Federation; (c) the Lender does not have any current intentions to effect any corporate action or reorganisation or a change of taxing jurisdiction that would result in the lender ceasing to be a resident of the Grand Duchy of Luxembourg and subject to taxation in the Grand Duchy of Luxembourg; (d) it is not a holding company within the meaning of Article 29 of the double tax treaty between the Russian Federation and the Grand Duchy of Luxembourg and (e) it will account for the Loan on the relevant Closing Date on its balance sheet as an asset under "Financial Assets" (or equivalent) and the Notes as a liability under "Bonds" (or equivalent).

7.6 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 Home Credit to make any deduction, withholding or payment as described in Clauses 6.3, 7.2 or 7.3, then, without in any way limiting, reducing or otherwise qualifying the Lender's rights, or Home Credit's obligations, under such Clauses, such party shall promptly 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, including in the case of the Lender (without limitation) by the transfer of its rights or obligations under this Agreement to another lender. Home Credit 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 Clause and in respect of which an itemised invoice (supported by copies of the relevant documents evidencing payment by the Lender) has been provided to Home Credit.

7.7 Tax Treaty Relief

- 7.7.1** The Lender shall, provided that in each case a corresponding request from Home Credit is received by the Lender no later than 25 Business Days prior to the first Interest Payment Date in respect of the Loan or, as applicable, the beginning of each calendar year, and at Home Credit's cost, to the extent it is able to do so under applicable law including, without limitation, Russian laws, use commercially reasonable efforts to obtain and to deliver to Home Credit no later than 10 Business Days before the first Interest Payment Date in respect of the Loan or, as applicable, the beginning of each calendar year a certificate, issued by the competent taxing authority in Luxembourg confirming that the Lender is tax resident in Luxembourg and such other information or forms as may need to be duly completed and delivered by the Lender to enable Home Credit to apply to obtain relief from deduction or withholding of Russian taxes after the date of this Agreement or, as the case may be, to apply to obtain a tax refund if a relief from deduction or withholding of Russian taxes has not been obtained.
- 7.7.2** The Lender shall, at the request of Home Credit and at Home Credit's cost, to the extent it is able to do so under applicable law including, without limitation, Russian laws, from time to time use commercially reasonable efforts to obtain and to deliver to Home Credit any additional duly completed application forms as need to be duly completed and delivered by the Lender to enable Home Credit to apply to obtain relief from deduction or withholding of Russian taxes or, as the case may be, to apply to obtain a tax refund if a relief from deduction or withholding of Russian taxes has not been obtained.
- 7.7.3** The certificate and, if required, other forms referred to in this Clause 7.7 shall be duly signed by the Lender, if applicable, and stamped or otherwise approved by the competent taxing authority in Luxembourg, if applicable. Together with any such certificate and, if required, other forms, the Lender shall deliver to Home Credit a copy of the same, certified by a Luxembourg notary to be a true and up-to-date copy of the original document. Any such notary's certificate shall be apostilled or otherwise legalised.
- 7.7.4** If a relief from deduction or withholding of Russian taxes under this Clause 7.7 has not been obtained and further to an application of Home Credit to the relevant Russian taxing authorities the latter requests the Lender's rouble bank account details, the Lender shall at the request of Home Credit (a) use commercially reasonable efforts, at Home Credit's cost, to procure that such rouble bank account of the Lender is duly opened and maintained, and (b) thereafter furnish Home Credit with the details of such rouble bank account.
- 7.7.5** The Lender agrees, promptly upon becoming aware thereof, to notify Home Credit if it ceases to be resident in the Grand Duchy of Luxembourg or a Qualifying Jurisdiction or if any of the representations set forth in Clause 7.5 are no longer true and correct.

8 Write Down

8.1 Write Down Measures

If a Write Down Event has occurred and is continuing on the Write Down Measure Effective Date:

8.1.1

- (i) any accrued and unpaid interest payable in respect of the Loan shall not be repaid and shall not accumulate as a result of the full or partial termination of Home Credit's obligations hereunder to repay the amounts of accrued and unpaid interest under the Loan (such measure being an **"Interest Cancellation Measure"** or an **"Interest Cancellation"** and **"Cancelled"** being construed accordingly); and/or
- (ii) Home Credit's obligations hereunder to repay the principal amount of the Loan shall be terminated in full or in part to the extent required to offset losses of Home Credit (such measure being a **"Principal Write Down Measure"** or, a **"Write Down"** and **"Written Down"** being construed accordingly).

8.1.2 If a Write Down Event is continuing on the Write Down Measure Effective Date, Home Credit shall on the Write Down Measure Effective Date:

- (i) firstly, Cancel the Interest Cancellation Amount for the purposes of the Interest Cancellation Measure; and/or

- (ii) secondly, if the Interest Cancellation Measure, together with cancellation of accrued interest on other Write Down Instruments in full is insufficient to remedy the Write Down Event, Write Down the Write Down Amount for the purposes of the Principal Write Down Measure.

8.2 Home Credit's Obligation to Provide Notices

Home Credit shall provide to the Lender and the Trustee no later than:

- (i) 2 Business Days after the Write Down Event Date, the Write Down Event Notice; and
- (ii) 2 Business Days prior to the relevant Write Down Measure Effective Date, the Write Down Measure Notice.

8.3 Consequences of a Write Down Measure

A Write Down Event may occur on more than one occasion (and the accrued interest may be Cancelled and the Loan may be Written Down in accordance with this Clause 8 on more than one occasion). Any provisions of this Agreement in relation to Write Down Measures shall only apply for so long as a Write Down Event(s) is(are) continuing.

The principal amount of the Loan may only be used to offset losses incurred by Home Credit *pro rata* with other Write Down Instruments. The accrued interest may only be Cancelled by Home Credit *pro rata* with interest on other Write Down Instruments. If, in connection with any Interest Cancellation and/or Write Down (if any) of the Loan, any relevant proportion must be determined for the purpose of pro-rating such Interest Cancellation and Write Down (if any) amongst the Loan and any Write Down Instruments, the accrued interest and principal amount of any obligation (including the Loan and any Write Down Instruments) which is not denominated in Roubles will (for the purposes of such determination only) be deemed to be converted into Roubles at the then prevailing foreign exchange rates determined in the sole discretion of the Home Credit in accordance with its accounting policies established under applicable accounting standards.

Following any Write Down in accordance with this Clause 8, references herein to "outstanding principal amount" of the Loan shall be construed as references to the Outstanding Principal Amount. If the principal amount of the Loan is Written Down to zero, this Loan Agreement shall cease to have effect.

Once the principal amount of the Loan has been Written Down in accordance with this Clause 8, the principal amount so Written Down may not be restored under any circumstances, including where the relevant Write Down Event(s) is(are) no longer continuing.

Any interest payment that has been Cancelled in accordance with this Clause 8, shall not accumulate or be payable at any time thereafter, including where the relevant Write Down Event(s) is(are) no longer continuing. No Interest shall accrue as long as a Write Down Event(s) is(are) continuing.

Subject to this Clause 8, Home Credit shall determine the Interest Cancellation Amount and the Write Down Amount in its sole discretion and shall set out its determination thereof in the relevant Write Down Measure Notice together with the then remaining outstanding principal amount of the Loan (if any) and the then remaining accrued but unpaid interest (if any) following the relevant Write Down in accordance with this Clause 8. Home Credit's determination of the Interest Cancellation Amount and the Write Down Amount shall in the absence of fraud or manifest error be binding on all parties.

Notwithstanding any other provision of this Agreement, an Interest Cancellation or a Write Down shall not constitute an Acceleration Event (or a Potential Acceleration Event) or a default under this Agreement.

8.4 No Payments Upon Occurrence of a Write Down Event

From the Write Down Event Date and until the Write Down Event ceases to continue, Home Credit shall not make any payments of interest or Outstanding Principal Amount of the Loan, and no interest shall accrue on such unpaid amounts. Home Credit shall immediately notify the Lender and the Trustee in writing on the cessation of any Write Down Event.

9 Conditions Precedent

The obligation of the Lender to make the Advance shall be subject to the conditions precedent that as at the Closing Date (a) the Lender shall have received on or prior to the Closing Date of evidence that the persons mentioned in sub-Clauses 14.10 and 14.11 have agreed to receive process in the manner specified therein, (b) no Acceleration Event or Potential Acceleration Event shall have occurred, (c) the Lender shall have received the full funding of the Advance and that funding shall be and remain available in full to be on-lent to Home Credit, (d) the Subscription Agreement and the Trust Deed shall have been executed and delivered, and (e) the Lender shall have received in full the Loan Arrangement Fee.

10 Change in Law; Increase in Cost

10.1 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 observance of which is in accordance with the generally accepted financial practice of financial institutions in the country concerned) from or of any central bank or other fiscal, monetary or other authority, Agency or any official of any such authority, which:

10.1.1 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 (other than any Taxes payable by the Lender on its overall net income or any Taxes referred to in sub-Clause 7.2 or 7.3); or

10.1.2 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 (other than any such increase or change which arises by reason of any increase in the rate of tax payable by the Lender on its overall net income or as a result of any Taxes referred to in sub-Clauses 7.2 or 7.3); or

10.1.3 imposes, modifies, or deems applicable any capital adequacy, reserve or deposit requirements attributable to this Agreement or to a class of business or transaction which, in the reasonable opinion of the Lender, includes this Agreement, against assets held by, or deposits in or for the amount of, or credit extended by an office of the Lender; *provided, however, that* the foregoing shall not include any increase in the rate of tax payable on the overall net income of the Lender as a result of any change in the manner in which the Lender is required to allocate resources to this Agreement; or

10.1.4 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 Home Credit 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 Home Credit, together with a certificate signed by the duly authorised signatories of 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 notes; and

(B) Home Credit, 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, that* in the case of sub-Clause 10.1.3 above (relating to a class of business or transaction which, in the reasonable opinion of the Lender, includes this Agreement), the amount of such increased cost shall be deemed not to exceed an amount equal to the proportion thereof which is directly attributable to this Agreement and provided that the Lender shall not be entitled to such additional amount where such increased cost arises as a result of the negligence or wilful default of the Lender,

provided that this sub-Clause 10.1 will not apply to or in respect of any matter for which the Lender has already been compensated under sub-Clauses 7.2 or 7.3.

10.2 Mitigation

In the event that the Lender becomes entitled to make a claim pursuant to Clause 10.1, the Lender shall consult in good faith with Home Credit 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, Home Credit's obligations to pay any additional amount pursuant to such Clause, including by the transfer of its rights or obligations under this Agreement to another lender, except that nothing in this Clause 10.2 shall obligate the Lender to incur any costs in taking any action which, in the reasonable opinion of the Lender, may be prejudicial to its interests.

11 Acceleration Events

11.1 Payment Default

If Home Credit 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 herein, 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 Home Credit and/or to prove for its debt, and claim, in any consequent liquidation of Home Credit.

11.2 Winding-up

On the occurrence of any of the following events:

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

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

11.2.3 any revocation of any licence for the performance of banking operations of Home Credit; or

11.2.4 any other event which, under applicable Russian laws, is analogous to the events specified in the foregoing paragraphs, whereby the obligations of Home Credit under this Agreement are accelerated,

the Lender may give notice to Home Credit 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) at the principal amount thereof together with any interest accrued and unpaid to the date of repayment and any other sums due and payable by Home Credit pursuant to this Agreement, and the Lender may, at its discretion and without further notice, take any actions, steps or proceedings 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 Home Credit.

11.3 Notice of Acceleration Event

Home Credit shall deliver to the Lender and the Trustee, within seven days after becoming aware thereof, written notice in the form of an Officers' Certificate of any event described in Clauses 11.1 and 11.2 (each an "**Acceleration Event**") has occurred, its status and what action Home Credit is taking or proposes to take with respect thereto.

11.4 Proceedings

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

12 Rights Not Exclusive

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

13 Indemnity

13.1 Indemnification

Home Credit undertakes to the Lender, that if the Lender or any of its Affiliates, each director, officer, employee or agent of the Lender and each person controlling the Lender within the meaning of the United States securities laws (each an “**Indemnified Party**”) incurs any loss, liability, cost, claim, charge, expense (including without limitation Taxes, legal fees, costs and expenses), demand or damage (a “**Loss**”) as a result of or in connection with the Loan, this Agreement (or enforcement thereof), and/or the issue, constitution, sale, listing and/or enforcement of the Notes and/or the Notes being outstanding, Home Credit shall pay to the Lender on demand an amount equal to such documented Loss 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 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.

13.2 Independent Obligation

Clause 13.1 constitutes a separate and independent obligation of Home Credit from its other obligations under or in connection with this Agreement or any other obligations of Home Credit in connection with its receipt of the Loan and shall not affect, or be construed to affect, any other provision of this Agreement or any such other obligations.

13.3 Evidence of Loss

A certificate of the Lender, supported by relevant documentation, setting forth the amount of Losses described in Clause 13.1 and specifying in reasonable detail, as requested by Home Credit, the basis therefor shall, in the absence of manifest error, be conclusive evidence of the amount of such Losses.

13.4 Survival

The obligations of Home Credit pursuant to Clauses 7.2, 7.3, 13.1 and 14.3 shall survive the execution and delivery of this Agreement and the drawdown and repayment of the Loan, in each case by Home Credit.

13.5 Currency Indemnity

Each reference in this Agreement to the Specified Currency therein is of the essence. To the fullest extent permitted by law, the obligation of Home Credit in respect of any amount due in a Specified Currency 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 such Specified Currency that the party entitled to receive such payment may, acting reasonably 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 such party receives such payment. If the amount in the Specified Currency that may be so purchased for any reason falls short of the amount originally due, Home Credit hereby agrees to indemnify the Lender against any such deficiency in such Specified Currency. Any obligation of Home Credit not discharged by payment in the Specified Currency therein 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.

14 General

14.1 Evidence of Debt

The entries made in the Account shall, in the absence of manifest error, constitute *prima facie* evidence of the existence and amounts of Home Credit’s obligations recorded therein.

14.2 Reports

14.2.1 Home Credit shall as soon as the same become available, but in any event within 120 days after the end of each of its financial years, deliver to the Lender and the Trustee the Group’s consolidated financial statements for such financial year, in each case audited by the auditors.

14.2.2 Within 30 days of the close of each calendar quarter, and also within 14 days of any request of the Lender, Home Credit shall deliver to the Lender and the Trustee a written notice in the form of an Officers’ Certificate stating whether any Potential Acceleration Event or Acceleration Event has occurred and, if it has occurred and shall be continuing, what action Home Credit is taking or proposes to take with respect thereto.

- 14.2.3** Home Credit will on request of the Lender or the Trustee provide the Lender and the Trustee with such further information, other than information which Home Credit determines in good faith to be confidential, about the business and financial condition of Home Credit and its Subsidiaries as the Lender may reasonably request.
- 14.2.4** Home Credit consents that any information provided to the Lender pursuant to this sub-Clause 14.2 may also be provided to the Trustee without violating any duty of confidentiality or secrecy that the Lender may owe to Home Credit under the laws of Luxembourg.
- 14.2.5** Home Credit will at the same time as delivering its audited annual financial statements pursuant to sub-Clause 14.2.1 and within 30 days of a request from the Lender or the Trustee, deliver to the Lender and the Trustee an Officer's Certificate specifying those Subsidiaries of Home Credit which were at a date no more than 10 days before the date of such Officer's Certificate, Material Subsidiaries.
- 14.2.6** Promptly upon receipt by Home Credit of the CBR's Final Conclusion, Home Credit shall deliver a copy of that Final Conclusion to the Lender.
- 14.2.7** Promptly notify the Lender and the Trustee in writing upon occurrence of the 215-P Disapplication Date.

14.3 Stamp Duties

- 14.3.1** Home Credit shall pay all stamp, registration and documentary taxes, duties or similar charges (if any) imposed on Home Credit by any person in the Russian Federation or the Grand-Duchy of Luxembourg 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 all related documents 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 Home Credit to pay such taxes or similar charges upon presentation by the Lender to Home Credit of documentary evidence of such costs and expenses.
- 14.3.2** Home Credit agrees that if the Lender incurs a liability to pay any stamp, registration and documentary taxes, duties or similar charges (if any) imposed by any person in the Russian Federation or Grand-Duchy of Luxembourg 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 all related documents, Home Credit shall reimburse the Lender on demand an amount equal to such stamp or other documentary taxes, charges 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 Home Credit to procure the payment of such taxes or similar charges.

14.4 Waivers

No failure to exercise and no delay in exercising, on the part of the Lender or Home Credit, any right, power to privilege under this Agreement and no course of dealing between Home Credit 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 provided in this Agreement are cumulative and not exclusive of any rights, or remedies provided by applicable law.

14.5 Notices

14.5.1 Method: Each communication under this Agreement shall be made by fax, (other than notices or communications delivered to the Trustee, which shall be delivered by fax or hand) email or otherwise in writing. Each communication or document to be delivered to any party under this Agreement shall be sent to that party at the fax number, postal address or email address, and marked for the attention of the person (if any), from time to time designated by that party to each other party for the purpose of this Agreement. The initial telephone number, fax number, postal address, email address and person so designated by the parties under this Agreement are set out below:

- (i) if to Home Credit:

Building 1
8 Pravdy Street
Moscow 125040
Russian Federation

Fax: +7 (495) 785 8218

Attention: Bulat Zogdoev
Deputy Head of Financial Markets
Home Credit & Finance Bank, or
Roman Kulikov
Deputy Head of Financial Markets Home Credit & Finance Bank

Email: bulat.zogdoev@homecredit.ru
roman.kulikov@homecredit.ru

- (ii) if to the Lender:

Eurasia Capital S.A.
C/o TMF Luxembourg S.A.
46A avenue J.F. Kennedy
L 1855 Luxembourg
Grand Duchy of Luxembourg

Fax: +352 42 19 61

Attention: The Directors

- (iii) if to the Trustee:

BNY Mellon Corporate Trustee Services Limited
One Canada Square
London E14 5AL
United Kingdom

Fax: +44 20 7964 4637

Attention: Trustee Administration Manager

14.5.2 Deemed Receipt: Any communication from any party to any other under this Agreement shall be effective, (if by fax) when the relevant delivery receipt is received by the sender, (if in writing) when delivered and (if by email) 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 email; 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 fax or electronic communication will be written legal evidence.

14.5.3 Communications: In no event shall the Trustee or any other entity of The Bank of New York Mellon Group be liable for any Losses arising to the Trustee or any other entity of The Bank of New York Mellon Group receiving or transmitting any data from Home Credit, the Lender, any Authorised Person or any party to the transaction via any non-secure method of transmission or communication, such as, but without limitation, by facsimile or email.

The parties hereto accept that some methods of communication are not secure and the Trustee or any other entity of The Bank of New York Mellon Group shall incur no liability for receiving Instructions via any such non-secure method. The Trustee or any other entity of The Bank of New York Mellon Group is authorised to comply with and rely upon any such notice, Instructions or

other communications believed by it to have been sent or given by an Authorised Person or an appropriate party to the transaction (or authorised representative thereof). Home Credit, the Lender or authorised officer of Home Credit or the Lender shall use all reasonable endeavours to ensure that Instructions transmitted to the Trustee or any other entity of The Bank of New York Mellon Group pursuant to this Agreement are complete and correct. Any Instructions shall be conclusively deemed to be valid Instructions from Home Credit, the Lender or authorised officer of Home Credit or the Lender to the Trustee or any other entity of The Bank of New York Mellon Group for the purposes of this Agreement.

With regard to this Clause 14.5.3:

“Authorised Person” means any person who is designated in writing by Home Credit or the Lender from time to time to give Instructions to the Trustee under the terms of this Agreement.

“Instructions” means any written notices, directions or instructions received by the Trustee from an Authorised Person or from a person reasonably believed by the Trustee to be an Authorised Person.

“Losses” means any and all claims, losses, liabilities, damages, costs, expenses and judgements (including legal fees and expenses) sustained by either party.

“The Bank of New York Mellon Group” means The Bank of New York Mellon and any company or other entity of which The Bank of New York Mellon is directly or indirectly a shareholder or owner. For purposes of this Trust deed, each branch of The Bank of New York Mellon shall be a separate member of The Bank of New York Mellon Group.

14.6 Assignment

- (a) 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 or obligations 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 by the Lender, following the enforcement of the security and/or assignment referred to in Clause 14.6(c) below, shall be references to the exercise of such rights or discretions by the Trustee (as Trustee). Notwithstanding the foregoing, the Trustee shall not be entitled to participate in any discussions between the Lender and Home Credit or any agreements of the Lender or Home Credit pursuant to Clause 7.4.
- (b) Home Credit shall not assign or transfer all or any part of its rights or obligations hereunder to any other party.
- (c) The Lender may not assign or transfer, in whole or in part, any of its rights and benefits or obligations under this Agreement except as contemplated by the Trust Deed.

14.7 Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement except that the Trustee may enforce and rely on any provision of this Agreement to the same extent as if it were a party hereto.

14.8 Governing 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, the laws of England.

14.9 Jurisdiction

The parties irrevocably agree that any dispute arising out of or in connection 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 14.9 (a **“Dispute”**), shall be resolved by arbitration in London, England, conducted in the English language by three arbitrators, in accordance with the rules set down by the LCIA (formerly the London Court of International Arbitration) for the conduct of arbitrations where any agreement, submission or reference provides in writing and in whatsoever manner for arbitration under the rules of the LCIA or by the court of the LCIA (or such amended rules as the LCIA may have adopted hereafter to take effect before the commencement of any particular arbitration commenced pursuant to this Agreement) (the **“LCIA Rules”**), save that Article 5.6 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 Court.

14.10 Lender's Process Agent

The Lender irrevocably appoints Jordans Trust Company Limited (the “**Lender's Agent**”), now of 21 St Thomas Street, Bristol BS1 6JS, United Kingdom, as its agent to accept service of process in England in any Dispute, provided that:

- 14.10.1** service upon the Lender's Agent shall be deemed valid service upon the Lender whether or not the process is forwarded to or received by the Lender;
- 14.10.2** the Lender shall inform Home Credit, in writing, of any change in the address of the Lender's Agent within 28 days of such change;
- 14.10.3** if the Lender's Agent ceases to be able to act as a process agent or to have an address in England, the Lender irrevocably agrees to appoint a new process agent in England acceptable to Home Credit and to deliver to Home Credit within 14 days a copy of a written acceptance of appointment by the new process agent; and
- 14.10.4** nothing in this Agreement shall affect the right to serve process in any other manner permitted by law.

14.11 Home Credit's Process Agent

Home Credit irrevocably appoints Jordans Trust Company Limited (“**Home Credit's Agent**”), now of 21 St Thomas Street, Bristol BS1 6JS, United Kingdom, as its agent to accept service of process in England in any Dispute, provided that:

- 14.11.1** service upon Home Credit's Agent shall be deemed valid service upon Home Credit whether or not the process is forwarded to or received by Home Credit;
- 14.11.2** Home Credit shall inform the Lender, in writing, of any change in the address of Home Credit's Agent within 28 days of such change;
- 14.11.3** if Home Credit's Agent ceases to be able to act as a process agent or to have an address in England, Home Credit 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; and
- 14.11.4** nothing in this Agreement shall affect the right to serve process in any other manner permitted by law.

14.12 Waiver of Immunity

To the extent Home Credit or the Lender may, in relation to any Dispute, claim for itself or its assets or revenues, immunity from the jurisdiction of any tribunal, service of process, interim relief, or any process for execution of any award against its property, Home Credit and the Lender irrevocably waive such immunity.

14.13 Counterparts

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

14.14 Language

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

14.15 Amendments

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

- (a) it is in writing signed by the Lender and Home Credit;
- (b) a draft of any amendment agreement has been submitted to the CBR; and
- (c) approval from the CBR shall have been received in respect of the amendment agreement referred to in sub-Clause 14.15(b).

14.16 Partial Invalidity

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

15 CBR Prior Consent

- (a) 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;

- (b) No amendment, modification or waiver to this Agreement shall be permitted without the prior approval of the CBR;
- (c) No early termination of this Agreement shall be permitted without the prior written consent of the CBR; and
- (d) No early termination of obligations under this Agreement (by way of set off or otherwise) shall be permitted without the prior written consent of the CBR.

Schedule 1
Form of Write Down Event Notice

To: Eurasia Capital S.A.
BNY Mellon Corporate Trustee Services Limited
From: Home Credit & Finance Bank Limited Liability Company

Dated: [●]

Dear Sirs

Home Credit & Finance Bank Limited Liability Company – Subordinated Loan Agreement dated 15 October 2013 (the “Subordinated Loan Agreement”)

- 1** We refer to the Subordinated Loan Agreement. Terms defined therein shall have the same meaning herein.
- 2** This is a Write Down Event Notice for the purposes of the Subordinated Loan Agreement.
- 3** We notify that the Write Down Event has occurred on [●].
- 4** *[Specify relevant event(s) constituting the Write Down Event including the relevant Common Equity Tier 1 Capital Ratio as of the relevant CBR Reporting Date and/or the nature of the bankruptcy prevention measures the Agency for Deposit Insurance has committed to as applicable and the grounds for application of such bankruptcy prevention measures]*

for and on behalf of Home Credit & Finance Bank Limited Liability Company

Signed:

Schedule 2
Form of Write Down Measure Notice

To: Eurasia Capital S.A.
BNY Mellon Corporate Trustee Services Limited
From: Home Credit & Finance Bank Limited Liability Company

Dated: [●]

Dear Sirs

Home Credit & Finance Bank Limited Liability Company – Subordinated Loan Agreement dated 15 October 2013 (the “Subordinated Loan Agreement”)

- 1** We refer to the Subordinated Loan Agreement. Terms defined therein shall have the same meaning herein.
- 2** This is a Write Down Measure Notice for the purposes of the Subordinated Loan Agreement.
- 3** We confirm that the Write Down Measure Effective Date is [●].
- 4** *[Specify relevant Write Down Measures being implemented including any Interest Cancellation Amount and any Write Down Amount and the basis of their calculation]*

for and on behalf of Home Credit & Finance Bank Limited Liability Company

Signed:

RECENT DEVELOPMENTS

On 4 October 2013, Moody's changed HCFB's ratings outlook from stable to negative. Moody's stated that the negative outlook on HCFB's ratings reflects (1) Moody's expectations that HCFB's asset quality deterioration will put significant pressure on profitability; and (2) weakening capitalisation, which has been pressured by rapid loan growth and its shareholder dividend policy. Moody's further stated that HCFB's asset quality has been deteriorating against the background of a general weakening in the quality of retail portfolios of Russian banks.

GENERAL INFORMATION

- (1) The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and DTC. The Common Code and the International Securities Identification Number (“ISIN”) and the CUSIP number for the Notes are set out in the Issue Terms of the Notes.
- (2) Applications have been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and to trading on the Market.
- (3) The issue of the Notes and granting of the Subordinated Loan has been authorised by a resolution passed at a meeting of the board of directors of the Issuer held on 4 October 2013.
- (4) For so long as the Notes are outstanding, copies of the following documents may be obtained free of charge in physical form at the specified office of the Principal Paying Agent during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted):
 - the latest audited consolidated financial statements of HCFB;
 - the latest interim condensed consolidated financial statements of HCFB; and
 - the latest audited financial statements of the Issuer.

and copies of the following documents will be available for inspection in physical form at the specified office of the Principal Paying Agent during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted):

- the charter of HCFB (together with a translation into English which shall be an accurate and direct translation) and the Articles of Incorporation of the Issuer;
- the Trust Deed;
- the Agency Agreement;
- the Loan Agreement;
- a copy of the Base Prospectus together with any supplement to the Base Prospectus; and
- a copy of this Drawdown Prospectus along with any supplement to this Drawdown Prospectus.

The Base Prospectus has been, and this Drawdown Prospectus shall also be, published on the website of the Irish Stock Exchange.

- (6) HCFB does not prepare financial statements in accordance with U.S. GAAP.
- (7) Since 31 December 2012, there has been no material adverse change in the financial position or the prospects of the Issuer or any significant change in the financial or trading position of the Issuer.
- (8) Since 31 December 2012, there has been no material adverse change in the financial position or the prospects of HCFB. Since 30 June 2013, there has been no significant change in the financial or trading position of HCFB.
- (10) No consents, approvals, authorisations or orders of any regulatory authorities are required by HCFB under the laws of the Russian Federation for HCFB to enter into and perform its obligations under the Loan Agreement.
- (11) The Issuer is not, and in the 12 months preceding the date of this Drawdown Prospectus has not been, involved in any governmental, legal or arbitration proceedings that may have, or have had in the recent past, a significant effect on the Issuer’s financial position or profitability, nor is the Issuer aware that any such proceedings are pending or threatened.
- (12) HCFB is not, and in the 12 months preceding the date of this Drawdown Prospectus has not been, involved in any governmental, legal or arbitration proceedings that may have, or have had in the recent past, a significant effect on the financial position or profitability of HCFB. HCFB is not aware of any such proceedings that are pending or threatened.
- (13) The Trust Deed provides, amongst other things, that the Trustee may act or rely upon the opinion or advice of, or upon a certificate or other information from, any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant, auditor or other expert (whether or not addressed to the Trustee), notwithstanding the fact that such opinion, advice, certificate or other information contains a monetary or other limit on the liability of any such persons in respect thereof.
- (14) HCFB is in compliance with applicable Russian law corporate governance requirements in all material respects.
- (15) The total expenses related to the admission to trading of the Notes are expected to be EUR 2,541.20.
- (16) The language of the 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.

BORROWER
Home Credit & Finance Bank
Limited Liability Company
Building 1, 8 Pravdy Street
Moscow, 125040
Russian Federation

THE ISSUER
Eurasia Capital S.A.
46A avenue J.F. Kennedy,
L-1855, Luxembourg
Grand Duchy of Luxembourg

JOINT LEAD MANAGERS

Citigroup Global Markets Limited
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

SIB (Cyprus) Limited
57 Digeni Akrita Ave.
Zachariades Building
Office 301 Nicosia
CY-1070 Cyprus

UBS Limited
1 Finsbury Avenue
London EC2M 2PP
United Kingdom

CO-MANAGERS

Société Générale
29 boulevard Haussmann
75009 Paris
France

PPF Bank a.s.
Evropska 2690/17
Prague 6, 16041
Czech Republic

REGISTRAR AND TRANSFER AGENT

The Bank of New York Mellon
(Luxembourg) S.A.
Vertigo Building – Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg
Grand Duchy of Luxembourg

**PRINCIPAL PAYING AGENT AND
TRANSFER AGENT**

The Bank of New York Mellon
London Branch
One Canada Square
London E14 5AL
United Kingdom

TRUSTEE

BNY Mellon Corporate Trustee Services Limited
One Canada Square
London E14 5AL
United Kingdom

LEGAL ADVISORS TO THE JOINT LEAD MANAGERS

As to U.S. and English law
Linklaters LLP
One Silk Street
London EC2Y 8HQ
United Kingdom

As to Russian law
Linklaters CIS
Paveletskaya Square 2/2
Moscow 115054
Russia

LEGAL ADVISORS TO HCFB

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As to Russian law
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White Gardens
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125047 Russia

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L-2453 Luxembourg
Grand Duchy of Luxembourg

LEGAL ADVISOR TO THE TRUSTEE

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Linklaters LLP
One Silk Street
London EC2Y 8HQ
United Kingdom

AUDITORS TO HCFB
ZAO KPMG

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Russian Federation

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Grand Duchy of Luxembourg

TAX ADVISORS

PricewaterhouseCoopers
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Moscow 125047
Russian Federation

