



VTB Bank (Deutschland) AG

FOREIGN EXCHANGE MASTER AND NETTING AGREEMENT

between

VTB Bank (Deutschland) AG
(as the "Bank")

and

(as the "Counterparty")

This MASTER AND NETTING AGREEMENT is made this “___” day of _____ 200__ by and between:

VTB Bank (Deutschland) AG, a joint stock company registered and existing under the laws of Germany with its registered office at Frankfurt Walter-Kolb-Strasse 13, 60594 Frankfurt, Germany (the "**Bank**" which expression shall for the purposes hereof include its successors and assigns), and

“_____”, an open joint stock company registered and existing under the laws of the Russian Federation with its registered office at _____ (the "**Counterparty**" and, together with the Bank, the "**Parties**").

WHEREAS expressions defined in the Schedule to this Agreement shall have the meaning given to them therein when used in this Agreement.

1. The Bank and the Counterparty may from time to time enter into Foreign Exchange Contracts. The terms and conditions of each Foreign Exchange Contract shall be agreed by the Parties' Dealers by telephone, telex or Reuters-Dealing system and shall in each case be confirmed by written confirmations exchanged by telex or SWIFT (MT 300). Such confirmations shall be identical, include all material terms and conditions of the relevant Foreign Exchange Contract and shall together constitute one and the same Foreign Exchange Contract. Each Party's obligations under a Foreign Exchange Contract executed as provided above shall be deemed its valid and binding obligation.
2. The Parties agree that they wish to settle Foreign Exchange Contracts on a net basis on the terms and conditions set out below.
3. Unless otherwise agreed in writing between the Bank and the Counterparty and subject to paragraph 10 below, immediately upon a Foreign Exchange Contract being entered into or otherwise arising which, together with any other Foreign Exchange Contract which has previously been entered into or which has arisen, constitute Matching Foreign Exchange Contracts, the obligations under such Matching Foreign Exchange Contracts shall be cancelled and replaced by a new obligation (for the purpose of this Agreement, itself a Foreign Exchange Contract) whereby the Bank and/or the Counterparty, as the case may be, shall pay to the other on the maturity date of such cancelled Matching Foreign Exchange Contracts the net amount, if any, of all sums in each of the two relevant currencies which but for such cancellation would have been owed by and between the Bank and the Counterparty under such Matching Exchange Contracts.
4. By 11:00 a.m. (Frankfurt/M time) on the day immediately preceding the maturity date of Foreign Exchange Contracts arising from the operation of paragraph 3, the Dealers of the Bank and the Counterparty shall confirm by the telephone or the Reuters-Dealing system the net amount owing by/due to the Bank/the Counterparty in each currency, as the case may be, in respect of such Foreign Exchange Contract, such net amount being further confirmed by written confirmations exchanged by the Parties by telex or SWIFT (MT 399) in accordance with the provisions of this Agreement and generally accepted market practice. Such confirmations shall constitute prima facie evidence that such amount is due. Should

there be any discrepancy in the net amounts so confirmed, the Parties shall resolve such discrepancies before prior to 9 a.m. (Frankfurt/M time) on the maturity date of the relevant Foreign Exchange Contract. Should the Parties fail to resolve such discrepancies before such time, then the netting shall not apply and the Parties shall fully perform their respective obligations under the corresponding Foreign Exchange Contracts.

5. The Bank and the Counterparty will set standard settlement instructions in respect of the currencies regulated by this Agreement. Any amendment of such standard instructions of one Party is to be advised so as to give the other Party at least ten (10) Business Days to amend records.

6. If an Event of Default occurs with respect to either the Bank or the Counterparty (the "Defaulting Party"), the other Party (the "Non-Defaulting Party") shall be entitled without prior notice to the Defaulting Party to cancel or otherwise liquidate all or any outstanding Foreign Exchange Contracts. In the event that the Non-Defaulting Party takes such action then the settlement date of each such outstanding Foreign Exchange Contract shall be deemed to be the date on which the same is so cancelled or otherwise liquidated. The settlement amount under each Foreign Exchange Contract shall be discounted from the original settlement date to such date at the rate determined by the Non-Defaulting Party to be the Market Rate. The Defaulting Party will be liable to the Non-Defaulting Party for any direct loss, cost or expense of Non-Defaulting Party arising from the occurrence of an Event of Default.

7. The provisions of this Agreement shall not oblige the Bank to enter into any Foreign Exchange Contract with the Counterparty or vice versa.

8. The provisions of this Agreement shall only apply to Foreign Exchange Contracts for the purchase and sale of United States Dollars and other freely transferable and convertible foreign currencies.

9. The Parties acknowledge and agree that telephone conversations between the Dealers may be recorded and that such records may be used as evidence in the event of any dispute.

10. This Agreement may be terminated by either Party giving at least thirty (30) days prior notice thereof to the other Party. For the avoidance of doubt such termination shall only be effective with regard to transactions maturing after such thirty (30) day notice period.

11. This Agreement as well as all rights and obligations arising therefrom shall be governed by and construed in accordance with the laws of the Federal Republic of Germany. Place of performance is Frankfurt/Main, Federal Republic of Germany. Any dispute arising out of or in connection with this Agreement shall be finally resolved by the Arbitration Institute at the Stockholm Chamber of Commerce, Sweden, in accordance with its rules. The language to be used in the arbitration proceedings shall be the English language. Non-exclusive place of jurisdiction is Stockholm.

12. The Counterparty irrevocably appoints and empowers [Ost-West Vermögensanlagen GmbH, Walter-Kolb-Str. 13, 60594 Frankfurt am Main, Germany,] to act as its agent for the service of process and that any writ, complaint, judgement or other notice of legal process shall be sufficiently served in connection with proceedings if delivered to the agent named

herein. All costs in connection with the appointment of the agent named herein shall be borne by The Counterparty

13. This Agreement comes into effect on the date of its signing by the Parties and shall remain valid until terminated in the manner provided above.

14. Each Party hereto shall maintain in confidence, treat as proprietary and take all measures to prevent disclosure of any information (with the exception of publicly available information) which it receives from the other Party in connection with this Agreement, and shall not disclose such information or records to third persons or use the same for purposes other than the performance of such Party's obligations hereunder, except as may be required by law applicable to the relevant Party.

15. Any notice (with the exceptions established above for the exchange of confirmations in respect of the Foreign Exchange Contracts) given or made hereunder shall be in writing and shall be sent to the Parties' addresses indicated below by facsimile or commercial courier service. Any notice shall be deemed to have been received by the recipient, if sent by facsimile, upon the sender receiving a transmission report from its facsimile machine confirming receipt of the communication by recipient's facsimile machine, or if sent by commercial courier service, upon delivery to the recipient's address by such commercial courier service. Notices shall be sent to the following addresses or facsimile numbers:

To the address of the **Bank**:

VTB Bank (Deutschland) AG
Walter-Kolb-Str. 13
60594 Frankfurt am Main, Germany
Tel.: (+49) (0) 69 / 2168 - 294
Fax: (+49) (0) 69 / 2168 - 319
Attn: Mr. Igor Pukhov

To the address of the **Counterparty**:

Tel.: (+7-) _____
Fax: (+7-) _____
Attn: _____

Each Party hereto may change its address, facsimile number or telephone number, as applicable, by giving notice of such change to the other Party in writing.



16. The failure by a Party hereto to exercise any right under or enforce any provision of this Agreement shall not be construed to imply a waiver by that Party to exercise such right or enforce such provision subsequently. No single or partial exercise of any right under this Agreement shall preclude further or full exercise of such right.

17. No provision of this Agreement may in any respect be waived, altered, modified or amended, unless such waiver, alteration, modification or amendment is made in writing and is signed by both Parties.

18. This Agreement constitutes the entire agreement between the Bank and the Counterparty regarding the subject matter hereof and supersedes any prior negotiations, agreements and understandings between the Bank and the Counterparty.

19. If any provision of this Agreement becomes illegal or unenforceable, the remaining provisions shall continue in full force and effect. The Parties shall amend any illegal or unenforceable provision so that, when amended, such provisions would to the maximum extent possible reflect the Parties' initial intentions.

IN WITNESS HEREOF, the Parties have caused this Agreement to be duly executed by their respective authorised officers on the day first above written.

For and on behalf of
VTB Bank (Deutschland) AG

For and on behalf of

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

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SEAL

THE SCHEDULE

"Business Day" means a day on which banks are open for business in Frankfurt/Main and Moscow and in respect of payments in foreign currencies, a day on which banks are open for business in the country of issuance of such foreign currency.

"Dealer" means an officer of a Party authorised to negotiate and execute Foreign Exchange Contracts as evidenced by a power of attorney to be issued by such Party and delivered to the other Party as provided for by paragraph 2 of the Agreement.

"Event of Default" means any of the following events:

(a) either Party fails to pay to the other Party for value on the relevant maturity date any amount due hereunder and such failure is not remedied within a period of two (2) Business Days after the due date;

(b) an order is made or a resolution passed for winding-up of a party (other than for the purposes of an amalgamation or reconstruction previously agreed in writing by the other Party) or such Party convenes a meeting for the purpose of passing any such resolution or such Party ceases or threatens to cease to carry on its business or any substantial part thereof or admits in writing to be unable to pay its debts as and when they fall due or stops payment.

(c) a receiver, administrator, administrative receiver, trustee or similar officer is appointed of the whole or any material part of the undertaking, property or assets of a Party or any judgement or order made against such Party is not complied with within 14 days; or

(d) a notice is issued convening a meeting of a Party's creditors or such Party proposes or enters into any arrangement or composition with its creditors or agrees or declares a moratorium in respect of any of its debts.

"Foreign Exchange Contract" means:

(a) any contract entered into between the Bank and the Counterparty for the purchase of one currency against the sale of another currency on a Spot Basis, and

(b) any agreement entered into pursuant to, or arising under paragraph 1 of the Agreement.

"Market Rate" means at any time the rate conclusively determined (in the absence of manifest error) by the Non-Defaulting Party to be the market rate available to the Non-Defaulting Party at such time in the Foreign Exchange Market for the purchase of a specified currency with a second specified currency for delivery on a specified date.

"Matching Foreign Exchange Contracts" means any two or more Foreign Exchange Contracts involving the Counterparty and the Bank, where:

(a) each is entered into on the same date and has the same maturity date; and

(b) each provides for the sale and purchase of the same two currencies.

"Spot Basis" means cash settlement being two Business Days from the deal date.