

**REGULATION  
on the Admission  
to International Investment Bank and the Procedure  
for Paying Contributions to the Charter Capital**

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## 1. GENERAL PROVISIONS

### 1.1. Scope of application and General Provisions

1.1.1. This document establishes the mechanisms and procedures for admission of states and international financial organizations into the members of the International Investment Bank in accordance with the Agreement Establishing the Bank [1] and its Charter and the procedure for paying contributions to the Charter Capital.

1.1.2. Admission to the Bank's membership implies accession to the Agreement [1]. Candidates who wish to become members of the Bank shall share IIB aims and operating principles and assume the relevant obligations arising out of the Agreement [1].

1.1.3. Membership in the Bank is granted by an unanimous resolution of the Board of Governors in accordance with the Agreement [1].

1.1.4. This document applies to states and international financial organizations that have expressed their intention to become a member of the Bank.

1.1.5. This document was prepared by Legal Department.

1.1.6. This document shall be timely updated by Legal Department.

### 1.2. Terms and Definitions

Below is a list of terms and definitions applied in this document:

Term	Definition
<b>The Bank, IIB</b>	International Investment Bank
<b>Instrument of accession</b>	A document confirming the Candidate's compliance with the applicable intrastate or internal procedures required for membership in IIB, certifying the Candidate's accession to the Agreement [1]
<b>Application</b>	Application to become a member of the Bank
<b>Candidate</b>	Any state or any international financial organization expressing their intention to become a member of the Bank, whose representatives have duly executed authority to negotiate the parameters of joining IIB membership and accedence to the Agreement [1] in accordance with their national legislation, and in the case of an international financial institution - in accordance with its internal regulations
<b>Board of Governors</b>	The supreme collective governing body of IIB
<b>Governor</b>	A representative of an IIB member in the Board of Governors, or his/her deputy or temporary governor
<b>Management Board</b>	The executive body of the Bank, authorized to hold preliminary consultations and officially negotiate the parameters for the Candidate to join IIB membership and accede to the Agreement [1]
<b>Charter Capital</b>	The Bank's authorized charter capital comprised of the Quotas allocated among the Bank's members (the allocated portion), and, where applicable, the unallocated portion of the Charter Capital
<b>Paid-in Charter Capital</b>	A portion of the Charter Capital, contributed by the members of the Bank within the limits of Quotas allocated to them

<b>Quota</b>	Share of the Bank's member in the allocated portion of the Charter Capital, determined by the Board of Governors
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## **2. PREPARATION FOR JOINING IIB MEMBERSHIP**

### **2.1. Preliminary consultations**

2.1.1. The Management Board conducts preliminary consultations with the Candidate to determine the main parameters of IIB membership:

- indicative values of the future Candidate's Quota;
- the need and approximate deadlines for the Candidate to carry out intrastate or internal procedures for joining IIB membership;
- amounts, schedule and procedure for making contributions to the Charter Capital within the indicative value of the future Quota.

2.1.2. Calculation of the indicative value of the future Quota of the Candidate in the Charter Capital is carried out in accordance with the Basic Principles [2].

2.1.3. Based on the results of the consultations, the Management Board informs the Governors about the results, including an assessment of the prospects and benefits for existing members from Candidate's joining IIB membership and requests the authority from the Board of Governors to conduct official negotiations.

2.1.4. In case of agreement with the main parameters specified in paragraph 2.1.1 the Board of Governors decides to authorize the Management Board to conduct official negotiations with the Candidate and determines the appropriate mandate (including setting the limits of indicative values for future Quota of the Candidate in the Charter Capital, the amount of contribution to the Charter Capital within the framework of the established Quota and the main parameters of its admission and membership in IIB).

### **2.2. Official Negotiations**

2.2.1. During the official negotiations stage, the individual parameters of the Candidate's membership in the Bank are specified, including:

- the amount of the Candidate's Quota in the Charter Capital;
- the amounts, schedule and procedure of contributions to the Charter Capital within the established Quota;
- other matters.

2.2.2. Following the official negotiations between the Bank and the Candidate, if the conditions specified in clause 2.2.1 fall within the authorities given to the Management Board, the parties' agreements are documented in the protocol of negotiations or the memorandum signed by the authorized representatives of the Bank and the Candidate. The protocol of negotiations or the memorandum may also define individual parameters of the interaction between the Bank and the Candidate before the Candidate joins IIB membership officially.

2.2.3. If during the official negotiations the Candidate's position on the individual parameters of membership in the Bank has changed fundamentally, and the conditions specified in clause 2.2.1 are no longer within the authorities given to the Management Board, the Management Board requests new authorities from the Board of Governors to continue the official negotiations with the Candidate.

### **3. PROCEDURE FOR JOINING IIB MEMBERSHIP**

3.1. Upon completion of the official negotiations with the Candidate, the Management Board informs the Board of Governors and submits to it the protocol of negotiations or the memorandum signed with the Candidate. The Governors initiate the internal procedures necessary for their decision to accept a new member to IIB and to vote on this issue at a meeting of the Board of Governors in accordance with clause 3.4 of this Regulation.

3.2. The Candidate submits to the Board of Governors an Application for the Bank membership on the terms of the signed protocol of negotiations or the memorandum indicating that the Candidate shares the aims and operating principles of the Bank and assumes the relevant obligations arising out of the Agreement [1]. The Application Form is provided in Appendix 1 to this Regulation.

3.3. If the Candidate is required to complete intrastate or internal procedures necessary for joining IIB membership, this requirement must be stated in the Application.

3.4. The Board of Governors, after considering the Application received from the Candidate and the protocol of negotiations or the memorandum, decides on the admission of the Candidate to IIB and approves the main parameters for the accession of the Candidate to the Bank as provided for in the protocol of negotiations or the memorandum signed by the Bank and the Candidate.

3.5. If the decision is made to accept the Candidate as IIB member, the Bank submits to the Candidate and to the depository of the Agreement [1] a copy of the resolution of the Board of Governors on the admission of a new member of the Bank, duly certified and executed in accordance with the internal regulations of the Bank. Together with a copy of the resolution on the admission of a new member, the Bank sends the Candidate's Application to the depository.

3.6. Upon completion of the applicable intrastate or internal procedures, the Candidate shall send the original Instrument of accession to the depository and a copy to the Bank.

3.7. The Candidate is considered officially acceded to the Agreement [1] and admitted as a member in the Bank starting from the date of receipt by the depository of a copy of the resolution of the Board of Governors on the admission of a new member of the Bank, along with the Instrument of accession.

3.8. The depository shall notify the other members of the Bank and the Bank of the receipt date of the documents referred to in clause 3.7.

3.9. From the date the new member joins IIB, its Quota is allocated in the Charter Capital.

### **4. PROCEDURE FOR PAYING CONTRIBUTIONS TO THE CHARTER CAPITAL**

4.1. The size of the Charter Capital and the Bank member's Quotas in the Charter Capital are determined by the Board of Governors. The members' Quotas may be changed by resolution of the Board of Governors in accordance with the Basic Principles [2] subject to the consent of the relevant IIB members.

4.2. The Charter Capital may be increased upon the accession of a new member of the Bank by the amount of its Quota in the Charter Capital.

4.3. IIB members provide the Bank with an obligation to make contributions within their Quotas in the form provided in Appendix 2 to this Regulation.

4.4. Contributions to the Charter Capital are made by members of the Bank in the manner and within the dates established by the Board of Governors.

4.5. The Charter Capital is accounted in euro. Payments towards the Charter Capital shall be made in euros or any another currency in the manner determined by the Board of Governors. A

contribution in a currency other than euro is subject to conversion and accounting in euro at the exchange rate of that currency other than euro for euro on the date of receipt of payment.

4.6. The date of contribution to the Charter Capital is the date of its crediting to IIB's account with a correspondent bank.

4.7. For each contribution to the Charter Capital, IIB issues a Contribution Certificate to a member of the Bank in the form provided in Appendix 3 to this Regulation.

4.8. The Management Board notifies all members of the Bank in writing within 3 (three) business days about the contribution to the Charter Capital received from a member and attaches the information on the new distribution of the IIB members' Quotas in the authorized charter capital and their shares in the Paid-in Charter Capital.

## 5. FINAL PROVISIONS

5.1. In the event of amendments to the Agreement [1], this document, as well as changes to it, shall apply to the extent not inconsistent with the Agreement [1].

## 6. LIST OF REFERENCED DOCUMENTS

No.	Code	Title
1		Agreement Establishing the International Investment Bank, with the Charter, dated July 10, 1970 ( <i>registered with the UN Secretariat on December 1, 1971 No. 11417, as amended and restated</i> )
2	ОНД-72	Basic Principles for Calculating IIB Members' Quotas in the Authorised Capital of the Bank (current version)

## 7. LIST OF DOCUMENTS BECOMING NULL AND VOID UPON ADOPTION OF THIS DOCUMENT

With the adoption of this document, the following become null and void:

1. "Regulations on admission of new IIB members" (ОНД-74), approved by the Protocol of the 104th meeting of the IIB Council of 03-04.12.2015.

2. "Procedure for paying contributions to the authorized charter capital of the International Investment Bank in convertible currencies, gold and national currencies of member states" (ПДК-4), approved by the Protocol of the 62nd meeting of the IIB Council of 24.10.1995.

Appendix 1  
*To the “Regulation on the Admission of New  
Members to International Investment Bank and the  
Procedure for Paying Contributions to the Charter  
Capital”*

**Application Form**

To the Board of Governors of  
International Investment Bank

Herewith, on behalf of *(name of competent authority and state / name of executive body of an international financial organization)*, I am authorized to inform that guided by an aspiration to strengthen further the economic relations between *(name of state / international financial organization)* and the member states of International Investment Bank, *(name of state / international financial organization)* expresses its willingness to join International Investment Bank.

*(Name of state / international financial organization)* shares IIB’s aims and operating principles and assumes the relevant obligations arising out of the Agreement Establishing the International Investment Bank and its Charter, and declares its approval of Resolution of the Board of Governors on amendment to Article 2 of the Charter of International Investment Bank that defines the seat of the Bank, affirmed by Resolution III of the Protocol of the 1/110th meeting of the Board of Governors of International Investment Bank of December 4th, 2018.

Herewith, I am authorized to declare on behalf of *(name of competent authority and state / name of executive body of an international financial organization)* that *(name of state / international financial organization)* undertakes to make its first contribution to the Bank’s charter capital within the limits of the agreed quota *(the size of the quota is specified)* within *(a timeframe is specified for making the first contribution)* from the date, when admission to the IIB membership was granted, in the amount of EUR *(the amount of the first contribution is specified)*.

*(competent authority / executive body of an  
international financial organization)  
(name of state or international financial organization)*

*To the “Regulation on the Admission of New Members to International Investment Bank and the Procedure for Paying Contributions to the Charter Capital”*

**Commitment Form**

**COMMITMENT**

In accordance with the Agreement Establishing the International Investment Bank, (*member of the Bank*) undertakes to contribute (*the size of quota is specified*) EUR \_\_\_\_\_ towards its quota in the IIB charter capital in the manner and within the dates established by the Board of Governors.

**Member of the Bank**

« » \_\_\_\_\_ 20\_\_



*To the “Regulation on the Admission of New Members to International Investment Bank and the Procedure for Paying Contributions to the Charter Capital”*

**Contribution Certificate Sample**

**CONTRIBUTION CERTIFICATE**

Hereby International Investment Bank (*hereinafter referred to as the Bank, IIB*) certifies that the amount of contribution of (*name of a member of the Bank*) to the paid-in charter capital of International Investment Bank within the limits of its quota is (*the amount of contribution is specified*) EUR \_\_\_\_\_ .

The date, when the contribution of (*name of a member of the Bank*) in the amount of (*the amount of the contribution*) EUR \_\_\_\_\_ was credited to the IIB’s paid-in charter capital, is \_\_\_\_\_ (*the date is specified*).

The above contribution has been made towards the quota of (*name of a member of the Bank*) in the Bank’s authorised charter capital, which amounts to (*the size of quota is specified*) EUR \_\_\_\_\_ .

The share of (*name of a member of the Bank*) in the IIB’s paid-in charter capital reaches EUR (*the amount*) \_\_\_\_\_ .

« » \_\_\_\_\_ 20\_\_

**Chairperson of the Management Board**

**Chief Accountant/Head of Finance Department**