

AGREEMENT
between the Government of the Russian Federation and the International
Investment Bank regarding the seat of the International
Investment Bank in the Russian Federation

The Government of the Russian Federation and International Investment Bank, hereinafter referred to as the Parties,

guided by the Agreement Establishing the International Investment Bank dated 10th July 1970 (as amended and restated from time to time) (hereinafter referred to as the Establishing Agreement) and by the Charter of the International Investment Bank (as amended and restated from time to time) (hereinafter referred to as the Charter),

noting the resolution of the Board of Governors of International Investment Bank to relocate the headquarters of International Investment Bank to Budapest (Hungary) and to open the branch of International Investment Bank in Moscow (Russian Federation) as adopted on 4th December 2018 at the 1st/110th meeting of the Board of Governors of International Investment Bank,

taking account of the necessity to amend and restate the Agreement between the Government of the Union of the Soviet Socialist Republics and the International Investment Bank on Matters Relating to the Seat of the International Investment Bank in the USSR dated 23rd December 1977 (hereinafter referred to as the Agreement of 1977),

striving to develop cooperation between the Parties and to ensure a favourable environment for the operations of International Investment Bank, its branches and representative offices in the Russian Federation as well as to acknowledge the status, privileges, and immunities of International Investment Bank, the members of the Board of Governors and the Board of Directors of International Investment Bank, its officers and employees,

wishing to continue strengthening and developing the cooperation between the Russian Federation and International Investment Bank,

have agreed as follows:

Article 1
Definitions

The terms used in this Agreement shall have the following meaning:

“Bank” means International Investment Bank, including its branches and representative offices;

“Bank’s archives and documents” means any records, documents, correspondence, handwritten materials, static and animated images, films, sound records, electronic records, including email, computer programs, written materials, video tapes or video discs, discs or tapes containing information, and any information stored in electronic or any other form, owned or possessed by the Bank, its branches and representative offices, or held by the Bank, its branches and representative offices or on behalf of the Bank;

“Officers and employees of the Bank” means the Bank’s any employees, including members of the Management Board and staff employed by the branches and representative offices, in accordance with the Bank’s corporate structure and staffing schedule;

“Bank’s property and assets” means any property and assets, including vehicles, cash funds, earnings and rights owned by the Bank or disposed or managed by, or on behalf of, the Bank as well as any bank accounts opened in the Bank’s name;

“Branches and representative offices” means the Moscow branch of the Bank as well as any other branches and representative offices which may be opened by the Bank in the Russian Federation, subject to agreement with the Government of the Russian Federation;

“Branches’ and representative offices’ premises” means any buildings and parts thereof used by the branches and representative offices for official purposes, together with land plots adjacent to such buildings or parts thereof, owned, leased or gratuitously used by the Bank in the Russian Federation;

“Government” means the Government of the Russian Federation;

“Management Board” means the Bank’s executive body reporting to the Board of Governors and the Board of Directors;

“Board of Governors” means the Bank’s supreme collective governing body;

“Board of Directors” means the Bank’s collective governing body responsible for the general management and oversight of the Bank’s operations and which reports to the Board of Governors;

“Bank’s meetings” means the Bank’s meetings, including any conferences or meetings convened by the Bank, and any commission, committee or subgroup at any such meeting;

“Family members” means the family members of the officers and employees of the Bank, including spouses, children, and parents;

“Members of the Board of Governors” means authorised representatives of the Bank’s members in the Board of Governors and their deputies (alternates) appointed in accordance with par. 1, Article 20 of the Charter or the Bank’s internal regulations;

“Members of the Board of Directors” means authorised representatives of the Bank’s members in the Board of Directors and their deputies (alternates) appointed in accordance with Article 22 of the Charter or the Bank’s internal regulations.

Article 2

Legal Status and Legal Capacity of the Bank

1. The Bank is an international organisation, an entity under international law, it shall have international legal capacity and shall be entitled *inter alia* to enter into international treaties.

2. The Bank shall enjoy the rights of a legal entity. In the Russian Federation, the Bank shall have legal capacity to the extent determined in the Establishing Agreement and the Charter. Within the scope of its legal capacity, the Bank shall be entitled to:

a) lease, rent, purchase and dispose moveable and real property, intellectual property rights and the rights to the means of individualization, as well as otherwise dispose of any of its property and rights and enter into any other transactions;

b) appear in any court (authority) of the judicial system of the Russian Federation, arbitration tribunals, and international commercial arbitration, in the Russian Federation, the Bank shall have the same due procedural rights as those afforded to any legal entities;

c) establish subsidiaries in the Russian Federation;

d) undertake any other actions to achieve the aims of the Bank in accordance with the Establishing Agreement and the Charter.

3. The Bank’s operations in the Russian Federation shall be governed by applicable international treaties, the Establishing Agreement, the Charter, this Agreement, the agreements entered into with any government and other competent authorities of the Russian Federation, and the Bank’s internal regulations, and any matters which are not addressed by the aforementioned documents shall be governed by the laws of the Russian Federation.

4. The Bank shall not be subject to state registration in the Russian Federation. The Bank’s operations shall not require any special permit (license) and shall not be regulated by any competent government authorities and the Bank of Russia.

5. Should the Bank be required by the laws of the Russian Federation to have a status of a credit institution in order to carry out any of its activities or operations and transactions, the Bank shall be treated as a credit institution in relation to such activities or operations and transactions.

Article 3

Immunities of the Bank, Its Branches and Representative Offices

1. The Bank, its branches and representative offices, their property and assets, archives and documents, wherever located and whoever possessed by, as well as their operations shall be immune from any form of administrative and court proceedings, with the exception of those cases where the Bank expressly waives its immunity.

2. The Bank's and its branches' and representative offices' property and assets, wherever located and whoever possessed by, shall not be subject to search, seizure, requisition, forfeiture, expropriation and any other form of interference, whether via any executive, administrative, judicial or any other action.

3. The Bank's and its branches' and representative offices' archives and documents, wherever located and whoever possessed by, shall be inviolable in the Russian Federation.

4. Without the Bank's express consent, the Bank may not be joined to any court proceeding as a defendant or third party nor may the Bank's property and assets become subject to any attachment or injunctive relief.

5. Without the Bank's express consent, no instruments issued by any courts or other government authorities or government officials of the Russian Federation may be enforced in the relation to the Bank's property and assets or the Bank's archives and documents.

Article 4 Branches and Representative Offices

1. The Bank, being an international organisation, opens a full-function branch of the Bank in Moscow, Russian Federation, in order to facilitate effective operations of the Bank.

2. The Bank may establish subsidiaries and, as agreed with the Government, open additional branches and representative offices in the Russian Federation.

Article 5 Inviolability of the Premises of the Branches and Representative Offices

1. The premises of the branches and representative offices shall be inviolable.

2. No representative of any government authorities of the Russian Federation shall enter the premises of the branches and representative offices, except with the express consent of the head of the branch and (or) the head of the representative office or any person authorised to act on behalf of them. Such consent may be assumed in case of fire or any other act of God requiring immediate protective action.

3. The Bank may establish internal regulations for the premises of its branches and representative offices in order to carry out its operations and perform its functions in full and independently.

4. Inviolability of the premises of the branches and representative offices shall not allow the use thereof for any purposes which are incompatible with the Bank's objectives and functions or prejudice the security of the Russian Federation or prejudice the interests of Russian nationals and legal entities.

5. Without prejudice to any provisions of this Agreement, the Bank shall prevent the premises of the branches and representative offices from being an asylum for persons fleeing from justice who are being prosecuted under the laws of the Russian Federation or are subject to extradition to another country. Any writs of summons may only be served in the Bank's premises subject to the consent of the head of the branch and (or) the head of the representative office or any person authorised to act on behalf of them.

Article 6 Protection of the Premises of the Branches and Representative Offices

The Government shall take such actions as may be required to protect the premises of the branches and representative offices from any intrusion or damage and to prevent any disorder within the premises of the branches and representative offices. The branches and representative offices shall be granted the same

protection as granted to any diplomatic missions in the Russian Federation. As requested by the Bank, its branches and representative offices, the Government shall provide the required number of law enforcement officers to restore the order within the premises of the branches and representative offices and to remove any wrongdoers.

Article 7 Securing the Bank's Operations

1. As requested by the Bank, the Government shall, where possible, assist the Bank in:
 - a) selecting premises and equipment necessary for the operations of branches and representative offices;
 - b) searching for and (or) providing suitable accommodation for the officers and employees of the branches and representative offices and the family members;
 - c) creating an appropriate environment for the operation and placement of the branches' and representative offices' business vehicles, including parking slots at any paid city parking areas in the paid city parking zone, immediately adjacent to the premises of the branches and representative offices.
2. The Government shall ensure that branches and representative offices are provided with any services necessary for their operations, including maintenance of the premises of the branches' and representative offices, on the terms and conditions not less favourable as those accorded to any other international organisation or diplomatic mission in the Russian Federation.

Article 8 Communications

1. When making official communications, the branches and representative offices shall enjoy not less favourable conditions in the Russian Federation as those accorded to any other international organisation or diplomatic mission in terms of priorities, tariffs and rates for any postal, telephone, radio or telegraph services as well as for data transmission and other communication services. Any expenses related to these services shall be paid by the Bank.
2. Any business messages coming to and from the branches and representative offices, regardless of the method and form of their transmission, shall not be subject to censoring or any other form of control, interception or interference.
3. The Bank, its branches and representative offices shall be entitled to use codes, send and receive its correspondence by courier or in sealed bags, which are inviolable and are not subject to censoring.
4. Subject to the consent of the Government, the Bank may install and use in the Russian Federation any means of long range communications between two points and other means of receiving and transmitting messages as may be necessary to ensure communications by the Bank within and outside the Russian Federation.

Article 9 Tax, Customs, and Other Benefits

1. The Bank, its property and assets, wherever located and by whoever possessed by, as well as any operations and transactions made by the Bank, its branches and representative offices shall be exempt from any taxes, fees, duties and any other mandatory payments at the federal, regional or and local level in the Russian Federation, except for specific service fees.
2. When importing or exporting any goods for official use, the Bank shall be exempt from any customs duties, taxes, fees and economic prohibitions and restrictions imposed under the laws of the Russian Federation in relation to government regulation of foreign trade operations.
3. The goods imported by the Bank and exempt from any customs duties, taxes, fees and

economic prohibitions and restrictions, shall not be presented as a gift, sold, leased or otherwise transferred for use in the Russian Federation under any conditions, which have not been agreed between the Government and the Bank.

4. The Bank shall also be exempt from any obligation to pay, withhold or collect any taxes, fees, duties, contributions, social security payments and other mandatory payments.

5. In case of any unreasonable payment by the Bank of any taxes, fees, duties, contributions, social security payments and other mandatory payments, the Government shall ensure that such unreasonably paid amounts are refunded to the Bank.

6. No debentures or securities issued by the Bank nor any dividends or interest accruing thereon, regardless of who is the holder thereof, shall be subject to taxation in the Russian Federation if:

a) this is discriminatory to such debentures or securities solely due to the fact that they are issued by the Bank;

b) the only legal ground for such taxation is the place of issue of such debentures or securities, the currency in which they have been issued, are expressed to be paid or are paid, the location or place of business of any institution owned by the Bank.

7. In terms of exemption of the Bank from taxation, this Article shall also apply to any cases where, as required by the laws of the Russian Federation, any tax is withheld and paid by a tax agent from the relevant source of income.

Article 10 Financial Procedures

1. The Bank shall be exempt from financial control, regulations or moratoria of any type to the extent necessary to perform its statutory functions.

2. In the Russian Federation the Bank may freely purchase and dispose of any property (except for the property withdrawn from or restricted in commerce in accordance with the laws of the Russian Federation), currency, securities, and other financial instruments, have accounts in any currency, enter into financial transactions and contracts, transfer (remit) currency assets, securities, and other financial instruments owned by it to and from the Russian Federation and convert any currency owned by it into any other currency. Without prejudice to the provisions of this Agreement, cash funds shall be transferred by the Bank to and from the Russian Federation subject to the applicable customs clearance requirements provided for by the laws of the Russian Federation.

Article 11 Flag and Emblem

The Bank shall be entitled to use its flag, emblem and trademarks in its branches and representative offices, on the buildings where its branches and representative offices are located, on the Bank's vehicles, at the places of the Bank's meetings, if held outside its branches and representative offices, during any events the Bank participates in.

Article 12 Meetings of the Bank

The Bank shall be entitled to convene meetings in its branches and representative offices and or elsewhere on the territory of the Russian Federation in accordance with the Russian law. The Government warrants that nothing will impede free discussion and decision-making process during the Bank's meetings.

Article 13

Privileges and Immunities of Members of the Board of Governors, Members of the Board of Directors, Officers and Employees of the Bank

1. Members of the Board of Governors, members of the Board of Directors, officers and employees of the Bank enjoy the privileges and immunities provided for in this Agreement to ensure efficient and independent performance of their official duties in line with the Bank's activities provided for in the Establishing Agreement and the Charter.

2. The members of the Board of Governors shall enjoy the following privileges and immunities in the Russian Federation:

a) Immunity from court and administrative proceedings with respect to any actions taken by them in their official capacity. Such immunity shall not apply to civil liability in cases of damage arising from road traffic accidents;

b) Personal baggage customs privileges equal to those attributable to the corresponding rank of diplomatic officials;

c) Exemption from direct taxes and charges with respect to any amounts paid to them by a member of the Bank that appointed the relevant person;

d) Exemption from any national service obligations.

3. The provisions of clause 2 of this Article shall not apply to the members of the Board of Governors who are the citizens of the Russian Federation.

4. Members of the Board of Directors, officers and employees of the Bank in the Russian Federation shall enjoy the following privileges and immunities:

a) Immunity from court and administrative proceedings with respect to any actions taken by them in their official capacity. Such immunity shall not apply to civil liability in cases of damage from road traffic accidents;

b) Along with their family members, the same repatriation benefits as granted to employees of foreign diplomatic missions accredited in the Russian Federation;

c) The right to import goods for personal or family use being exempt from any customs duties, taxes or charges. Using the said goods for any other purposes, including sale and transfer for use, entail the obligation to pay the relevant customs duties, taxes and charges and comply with other requirements in accordance with the laws of the Russian Federation;

d) Exemption from taxes on salary or other remuneration received from the Bank, social security payments;

e) Exemption from any national service obligations.

5. The provisions of sub-clauses "b", "c", and "e" of clause 4 of this Article shall not apply to the members of the Board of Directors, officers and employees of the Bank, who are the citizens of the Russian Federation. The actual payment of salary or other remuneration received from the Bank shall be confirmed by a statement issued by the Bank in the form approved by it, which constitutes an official document confirming the receipt of the relevant incomes acceptable by any state authorities, organizations and other third parties in the Russian Federation. Payment of salary or other remuneration received from the Bank shall not give rise to any duty to submit a tax return in accordance with the laws of the Russian Federation.

6. The Bank shall regularly, but at least once a year, send the lists of the members of the Board of Governors, members of the Board of Directors, officers and employees of the Bank who enjoy the privileges and immunities in accordance with this Agreement to the Ministry of Foreign Affairs of the Russian Federation. Such information shall be provided for informational purposes only and such exchange shall not affect the privileges and immunities of such individuals in accordance with this Agreement.

7. The Ministry of Foreign Affairs of the Russian Federation shall issue accreditation cards to all persons enjoying the privileges and immunities provided for in this Agreement confirming that their holders enjoy such privileges and immunities.

8. Without prejudice to their privileges and immunities, all persons enjoying such privileges

and immunities shall respect the laws of the Russian Federation and shall not meddle in its internal affairs.

9. The immunity with regard to the actions taken by the members of the Board of Governors, members of the Board of Directors, officers and employees of the Bank when performing their official duties shall remain in force after completion of their duties in the Bank.

Article 14

Social Protection, Benefits, and Compensations of the Officers and Employees of the Bank

1. The social protection, benefits, and any other compensations, including medical support and pension protection under the internal pension plan shall be provided to the officers and employees of the Bank in accordance with the Bank's documents.

2. The Bank shall be released from the obligation to make contributions to state extra-budgetary funds of the Russian Federation and to make any other payments provided for by the laws of the Russian Federation for the purposes of pension, social and medical insurance of the officers and employees of the Bank. The officers and employees of the Bank shall not be subject to the laws of the Russian Federation on compulsory social (pension) insurance and shall not be provided with insurance coverage and social benefits stipulated by the laws of the Russian Federation and associated with the Bank's need to pay insurance contributions and (or) to make other payments for pension, social, and medical insurance of the officers and employees of the Bank.

Article 15

Waiver of Privileges and Immunities

The competent authorities of the Russian Federation shall waive any privileges and immunities granted to their representatives in the Board of Governors and in the Board of Directors in cases where, in their opinion, such privileges or immunities impede the course of justice and may be waived without prejudice to the Bank's interests to the extent and on the conditions, which, in their opinion, meet the Bank's interests. Similarly, the Board of Governors shall waive any privileges and immunities with regard to the members of the Bank's Management Board, and the Chairperson of the Management Board of the Bank shall waive any privileges or immunities with regard to any officer or employee of the Bank, except for members of the Board of Directors and members of the Management Board of the Bank.

Article 16

Entrance and Stay

1. The Government shall take all due measures to assist in entrance to, stay in, and departure from the Russian Federation and freedom of movement across the Russian Federation for the following persons entering the Russian Federation:

- a) Members of the Board of Governors;
- b) Members of the Board of Directors;
- c) Officers and employees of the Bank and their family members;
- d) Other persons officially invited by the Bank in connection with its activities as provided for in the Establishing Agreement, the Charter and this Agreement.

2. The Bank shall advise the Ministry of Foreign Affairs of the Russian Federation of the full names of the persons specified in paragraph 1 of this Article. The said persons shall enjoy the same freedom of movement across the Russian Federation, subject to the laws of the Russian Federation, including that related to any facilities and other places, which require special access authorization, and the same regime as applicable to the vehicles which are provided to the officials of diplomatic missions.

3. The Government shall relieve the persons specified in clause 1 of this Article, who are exempt from any immigration restrictions as well as from any formalities related to immigration control, from all

restrictions on entrance and conditions of stay. The Bank will cooperate with the Government to prevent any damage to the national security of the Russian Federation.

4. The Government shall take appropriate steps and give to the relevant officials general instructions on issuance of visas to all persons specified in clause 1 of this Article promptly and without any fees. The officers and employees of the Bank and their family members shall be provided with the multiple-entry Russian visas for the period of their official stay in the Russian Federation.

Article 17 Settlement of disputes

Any disputes and disagreements as to interpretation or application of this Agreement shall be resolved by the Parties via negotiations and consultations.

Article 18 Final Provisions, Entry into Force and Termination of the Agreement

1. This Agreement shall apply provisionally upon expiration of thirty days from the date of its execution and shall enter into force from the date of receipt by the Bank of a written notice from the Government on completion of internal procedures necessary for its entry into force.

2. This Agreement is a new version of the Agreement of 1977, and any references to the Agreement of 1977 contained in the laws of the Russian Federation shall be deemed to be references to this Agreement. The Agreement of 1977 shall be terminated as for the relations between the Parties from the date of execution of this Agreement.

3. This Agreement may be amended as mutually agreed by the Parties, with such agreement to be documented by executing separate protocols.

4. The Parties may enter into additional agreements in order to comply with the Establishing Agreement, the Charter and this Agreement.

5. This Agreement may be terminated as mutually agreed by the Parties. Either Party may terminate this Agreement by delivering a relevant notice to the other Party not later than six months prior to the expected date of termination. This Agreement shall be terminated according to the procedure agreed by the Government and the Bank.

Done in duplicate at Moscow on 11 February 2020, in Russian.

For the Government
of the Russian Federation

For International
Investment Bank