

Compliance *Charter*

Credit  EuropeBank

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1. General

1.1. Strategic vision

The strategic aim of Credit Europe Bank N.V. and ultimately Credit Europe Bank Group is to develop its international corporate and retail banking businesses. While Credit Europe Bank Group prospers on its deep-noted developed market niches, its aim is to specialize in those fields in emerging markets to the East of Europe. Diversification across markets and products will sustain Credit Europe Bank Group's stable income resources and foster its healthy growth in the years ahead.

All staff of Credit Europe Bank Group will endeavour to create and maintain a company culture and business strategy whereby the highest standards and values are maintained at every business level and with all activities, business or otherwise, as an integral part of the company policy. Such standards and values are understood to be: legislation and directives by relevant authorities and their duly appointed supervisory bodies, generally accepted business standards and Credit Europe Bank Group's own internal regulations including ethical standards not being included in legislation. The Managing Board of Credit Europe Bank places high value on individual respect, integrity, loyalty, honesty and service with both her own personnel as with any third party relation, business or otherwise. Credit Europe Bank Group will not accept nor condole activities or behaviour that will or might in any way conflict with any of the above company values and standards. The Managing Board of Credit Europe Bank has adopted a Compliance Charter and Integrity Policy with the sole purpose of embedding and improving the integrity principles in all levels and structures of Credit Europe Bank Group. By doing so, Credit Europe Bank Group intends to protect her assets from any legal, financial or reputation loss or any other kind of negative association, incurred as a result of non-compliance with relevant standards and values.

1.2. Mission

Compliance is an independent function within the organisation of Credit Europe Bank Group (hereinafter "CEB Group"). For the purpose of this document CEB Group includes:

- Credit Europe Bank N.V. (hereinafter "Bank") as the Head Office, the Bank's branches and overseas liaison offices,
- direct banking subsidiaries of the Bank, and
- direct and/or indirect non-banking subsidiaries of the Bank.

Compliance aims at stimulating, monitoring and controlling the observation of laws, regulations, internal rules -including the compliance principles outlined in the Code of Conduct- and ethical standards that are relevant to the integrity and, hence, to the reputation of CEB Group.

Within the context of corporate governance Compliance aims at providing reasonable assurance that the respective CEB Group entity and its staff comply with these laws, regulations, internal rules and ethical standards.

Developing a confident relationship and mutual understanding with the regulators and monitoring authorities with respect to compliance matters is also part of the mission of Compliance.

This Compliance Charter (hereinafter "Charter") is applicable to each CEB Group entity.

The compliance function in CEB Group is set out in this Charter. If and when necessary, a separate reference is made to the compliance function in the Bank's Head Office, Bank's branch or liaison office, Bank's direct banking subsidiary or in the Bank's direct and/or indirect non-banking subsidiary.

1.3 Rule-based and risk-based approach – Responsibility

In practice Compliance fulfils its mission using a rule-based and a risk-based approach.

The rule-based approach ensures that the laws, regulations, rules and standards mentioned above are adequately transposed into clear and precise instructions and procedures, and that these instructions and procedures are correctly applied. Anticipation of forthcoming regulations is also vital to this approach.

The risk-based approach consists in identifying and assessing the compliance risks and seeing to it that every reasonable measure (including instructions, procedures, IT programs, monitoring methods, awareness and training actions, objective setting, incentives, deterrent measures and sanctions) is taken in order to avoid or reduce the occurrence of these identified compliance risks and to minimize the damages, should one of these risks nevertheless occur.

Compliance is responsible for carrying out the rule-based and risk-based approach.

1.4 Compliance risks

Compliance risks are defined by the cause and the consequences of their occurrence.

Cause is the failure to fully comply with laws, regulations, internal rules and standards applicable to CEB Group as a whole, and in particular to the Bank's Head Office, Bank's branches and overseas liaison offices, the Bank's direct banking subsidiaries and direct and/or indirect non-banking subsidiaries, and to any of their activities.

Consequences can be of a financial nature (e.g. administrative sanctions), of a commercial nature (e.g. withdrawal of license or limitation thereto) or of a reputational nature (e.g. harming the trust of customers). They can also be of a criminal nature, in which case directors and/or officers can be prosecuted together with their entity.

Compliance risks with regard to various general issues, such as labour law, health and safety regulations (working conditions legislation) and company law fall outside the scope of this Charter, since these issues are covered in a different manner by separate departments in a CEB Group entity.

2. Scope and objectives of the compliance function

The scope of the compliance function covers all laws and regulations that have been issued by legislative and regulative authorities, as well as self-regulation by CEB Group, the Bank's Head Office, the Bank's branches and overseas liaison offices and the Bank's direct banking subsidiaries and direct and/or indirect non-banking subsidiaries.

The scope largely depends on the nature and the location of the business activities. It will generally include prevention and detection of criminal activities, money laundering and terrorist financing, customer acceptance and follow-up, prevention of insider trading, privacy protection, and duty of care towards customers. A reference is made to Annex 1 for a more detailed general scope of the compliance function within CEB Group.

The objectives should be revised at least annually along the rule-based approach and the risk-based approach:

- Rule-based approach: the revision will be linked to the new laws, regulations, rules and standards, as enacted but also as anticipated.
- Risk-based approach: the revision will be based on an annual action plan ensuing from a re-assessment and re-prioritisation of the compliance risks.

3. Compliance structure

The compliance function in CEB Group has the following structure.

3.1 CEB Group Compliance Officer

Division Director CEB Group Compliance (hereinafter the "Group Compliance Officer") coordinates 'overall compliance' in CEB Group. The Group Compliance Officer is the internal supervisor and primary responsible for proper implementation of 'overall compliance' in CEB Group. The Group Compliance Officer is supported by a number of designated officers and controlling bodies within CEB Group's organisation structures.

During the period of absence of the Group Compliance Officer from his office the respective duties are vested on the Compliance Department Manager CEB N.V. (hereinafter the "Head of Compliance Department") of the Bank *ex officio*, which will act as the Group Compliance Officer *ad interim*.

3.2 The Bank's Compliance Department

The compliance function in the Bank is embedded in the Compliance Department managed by the Head of the Compliance Department of the Bank.

The Head of the Bank's Compliance Department *ex officio* acts as Country Compliance Officer for the Netherlands and also acts as the compliance coordinator for the Bank's branches and overseas liaison offices. For various reasons the compliance function is not fully present in the Bank's overseas liaison offices. However, in order to have in each location a point of contact the Head of Compliance Department of the Bank ensures appointment of a Compliance Representative for compliance matters in such offices.

The Head of the Bank's Compliance Department also acts as Compliance Officer for the Bank's custodian and securitisation vehicles in the Netherlands and in Belgium respectively.

3.3 Country Compliance Officers

In the Bank's banking subsidiaries and in the Bank's branches the compliance function is embedded in Country Compliance Officers, who head respective compliance units in the countries where these CEB Group entities have an office.

Country Compliance Officers also act as coordinators of compliance activities for Compliance Representatives.

3.4 Compliance Representatives

In the Bank's non-banking subsidiaries and in the Bank's overseas liaison offices the compliance function is vested on Compliance Representatives.

3.5 Compliance function combined with other functions

To the extent permitted by the applicable laws the compliance function in the Bank's banking or non-banking subsidiaries and in the Bank's branches and overseas liaison offices may be combined with another function whenever deemed appropriate given the nature and size of activities of the subsidiary, branch or overseas liaison office. However, avoidance of conflicts of interests and independency issues are key in the organizational arrangement of the compliance function in combination with other duties and responsibilities. Therefore, the other function must always be deemed compatible with the compliance function (no commercial or audit function) and must leave sufficient availability for the fulfillment of the compliance function.

The opinion of Group Compliance Officer (see paragraph 3.1) shall be essential to decide on this compatibility on a case-by-case basis, and the opinion of the respective Country Compliance Officer for the Bank's non-banking subsidiaries, the Head of the Compliance Department for any branch or overseas liaison office of the Bank and local management shall be also requested when appropriate.

4. Compliance function

4.1 Strategic position and reporting lines

It is the responsibility of the Managing Board of the Bank to secure the administration of the compliance function at CEB Group level in an adequate and sound manner. The compliance function at CEB Group level is placed directly in hierarchy under the Managing Board of the Bank. The **Group Compliance Officer** reports on a consolidated level directly to the Managing Board and has direct access to the Chairman of the Supervisory Board of the Bank in cases of no delay. Additionally to this, the Group Compliance Officer provides regular (quarterly) reports and updates to the Compliance Oversight Committee in the format indicated by the Committee.

The **Head of the Compliance Department of the Bank** is placed under the hierarchy of the Group Compliance Officer and functionally reports to this officer. The Head of the Compliance Department of the Bank also reports to the Managing Board of the Bank and has direct access to the Chairman of the Supervisory Board of the Bank in cases of no delay.

Country Compliance Officers of the Bank's banking subsidiaries report directly to the Group Compliance Officer on their own activities and on the activities at country level and also have a direct reporting line to their respective local management. A Country Compliance Officer of a Bank's banking subsidiary has direct access to the Chairman of the local Supervisory Board in cases of no delay.

Country Compliance Officers of the Bank's branches report directly to the Head of the Compliance Department of the Bank on their own activities and also have a direct reporting line to their respective local management. A Country Compliance Officer of a Bank's branch has direct access to the Group Compliance Officer in cases of no delay.

Compliance Representatives of the Bank's non-banking subsidiaries report to their respective Country Compliance Officers and also have a direct reporting line to their respective local management. A Compliance Representative of a Bank's non-banking subsidiary has direct access to the Group Compliance Officer and/or Chairman of the local Supervisory Board in cases of no delay.

Compliance Representatives of the Bank's overseas liaison offices report directly to the Head of the Compliance Department of the Bank on their own activities and also have a direct reporting line to their respective local management. A Compliance Representative of a Bank's overseas liaison office has direct access to the Group Compliance Officer in cases of no delay.

4.2 Appointment and dismissal

The Group Compliance Officer may be appointed, suspended, dismissed under the decision of the Managing Board of the Bank, which should be taken upon consultation with the Supervisory Board of the Bank.

The Head of Compliance Department of the Bank may be appointed, suspended, dismissed under the decision of the Managing Board of the Bank, which should be taken upon consultation with the Group Compliance Officer.

A Country Compliance Officer may be appointed, suspended, dismissed under the decision of the local management of the Bank's banking subsidiary or Bank's branch in the respective country, which should be taken upon consultation with the Group Compliance Officer and Head of the Compliance Department of the Bank respectively.

A Compliance Representative may be appointed, suspended, dismissed under the decision of the local management of the Bank's non-banking subsidiary in the respective country, which should be taken upon consultation with the Country Compliance Officer and the Group Compliance Officer.

In some jurisdictions where CEB Group conducts activities through a location, the location of the CEB Group may be required to notify the competent authorities of the appointment and dismissal of the Group and/or Country Compliance Officer. This notification has to comply with local rules and regulations, if any.

4.3 Profiles

The profiles used in the compliance function in CEB Group are:

- Compliance Officer (Group Compliance Officer, Head of the Bank's Compliance Department, Country Compliance Officer, Compliance Officer in the Bank's Compliance Department)
- Compliance Representative
- Compliance Analyst

A Compliance Officer should have a personal profile characterised by qualities of discretion, impartiality, critical mind, neutrality, a proactive attitude, independence of judgment, professional knowledge, natural authority to convince and to robustly resist opinions or positions deemed inappropriate and relevant experience in the business activities conducted by the location he/she is dedicated to. Only Compliance Officers are entitled to give opinions, recommendations, advice or express judgment on compliance issues. In exceptional cases only Compliance Officers may exercise the veto right on the decisions taken by their local management within their competence. The Group Compliance Officer shall be immediately informed of any use of the veto right. In case of the use of the veto right by the Group Compliance Officer the Chairman of the Supervisory Board of the Bank shall be immediately informed.

A Compliance Representative should have a personal profile characterised by qualities of discretion, impartiality, critical mind, neutrality, a proactive attitude, independence of judgment, professional knowledge and relevant experience in the business activities conducted by the location he/she is dedicated to, good eye for detail, natural skills to defend arguments in providing opinions. A Compliance Representative is entitled to give opinion or advice on compliance issues. A Compliance Representative has no veto right.

A Compliance Analyst should have a personal profile characterised by qualities of discretion, impartiality, critical, investigative and disciplined mind, highly developed analytical skills, persistence, independence of judgment, professional knowledge, natural curiosity and resourcefulness, good eye for detail, accuracy, consistency, ability to present persuasive argumentation of his/her opinion. Compliance Analyst is entitled to give opinions on compliance issues within their competence. A Compliance Analyst has no veto right.

4.4. Integration in the activities of the location

All Compliance staff of the CEB Group fulfills their duties in the work environment of the CEB Group locations they are dedicated to. With the support of their management Compliance staff should be spontaneously integrated in the activities of the locations, i.e. be informed, consulted, involved and take part in the decision process as far as Compliance is totally or partially concerned.

The following practices will, in any case, be adhered to:

- Managing Board/Local Management
Compliance will:
 - upon request receive the agendas of the meetings, if any, in a reasonable advance;
 - have an invitee status to attend the meetings to discuss issues he/she considers as being relevant to his/her mission and/or objectives;
 - upon request receive the minutes of the meetings, if any.

- Other
As from the pre-study phase, Compliance will be informed of/and involved in:
 - any significant project, and, more in particular:
 - cross-border projects;
 - projects of outsourcing;
 - projects which may have an impact on the relations with customers or the protection of privacy;
 - the preparation and launching of any new product or commercial campaign.

- Moreover, Compliance will be informed without delay of:
 - all material incidents of a compliance nature;
 - all requests from the regulators/monitoring authorities with respect to any domain of compliance;
 - all audit reports, whether external or internal, pertaining - totally or partially - to compliance issues.

It is the responsibility of the Managing Board of the Bank or the respective local management of any other CEB Group entity to ensure the implementation of respective compliance practices.

4.5 Duties and authorities

The compliance function of a CEB Group location has the following minimum duties and authorities.

4.5.1 Legislation

- To make an inventory of laws, regulations, codes of conduct and corporate governance rules that concerns the respective CEB Group location.
- To interpret changes in relevant laws, regulations, codes of conduct and corporate governance rules.
- To offer solicited and unsolicited advice on compliance issues to management.
- To check, assess and report weaknesses and deficiencies to management and provide advice to improve the situation and exercise control over improvement of reported weaknesses and deficiencies.
- To advise staff on the interpretation of the various rules and procedures.
- To maintain contact with supervisory authorities (this does not prejudice the position of management vis-à-vis the regulators and other authorities), as well as the Corporate Secretary, if any, and Internal Audit for compliance-related subjects.
- To maintain contacts with industry associations in the sphere of their competence.

4.5.2 Information and training of staff

- Learning and educating are the essence of compliance. The aim is to upgrade compliance in the day-to-day mindset and behavior of everyone working for CEB Group as well as in the culture of the whole CEB Group.
- The same duty of learning and educating applies to Compliance staff in order to update their knowledge and improve their professional qualifications.

4.5.3 Risk assessment and monitoring

- To make an inventory of the relevant compliance risks, depending on the applicable laws and regulations and the field of activities of the CEB Group location and assess and list the priorities of the compliance risks and action plans for the minimization accordingly.
- To monitor and control observance of legislation and regulations. To report detected violations to the appropriate level within the CEB Group location and/or CEB Group and to the supervisory authority where required. In the case of a compliance issue involving a member of the Managing Board of the Bank or a member of local management of any other CEB Group entity, Compliance reports immediately to the Group Compliance Officer who is authorised to pass over the formal lines of communication.

4.5.4 Instructions and investigations

- Compliance has the authority to take the initiative to investigate supposed breaches of any law, regulations, internal rules or ethical standards. In doing so Compliance may request assistance from other departments, including, but not limited to, Internal Audit or Human Resources.
- Compliance has the authority to request a copy of any document from any manager/employee of the respective CEB Group entity, if such document is, at the sole discretion of Compliance, is needed for the proper administration of the compliance function.
- To supervise investment transactions by staff of the respective CEB Group location.

- The management of the CEB Group location may delegate the authority to Compliance to give instructions to staff and to grant or withhold approval for actions by staff.
- To make inquiries of staff and third parties on the basis of authorities laid down in various rules.

4.6 Periodical and incidents reporting

A distinction is to be made between:

- annual compliance report;
- quarterly compliance reports;
- weekly compliance updates;
- incident reports.

4.6.1 Annual compliance report

Each CEB Group entity provides its annual compliance report to the Group Compliance Officer either directly or on a consolidated basis for the Bank or a country, according to the functional reporting lines of the compliance function established in this Charter. Annual compliance report shall be provided to the Group Compliance Officer not later than by January 25.

The annual compliance report shall be supported by an appropriate action plan for the upcoming year, which should be discussed with and acknowledged by the local management of the respective CEB Group entity. The content of this action plan derives from the assessment and prioritisation of the compliance risks, which are made at least on an annual basis by Compliance.

The annual report encompasses all compliance areas that are relevant to the CEB Group location. It outlines, as a minimum, the significant changes in the applicable laws and regulations and compliance structure and organisation. It also provides an analysis on the relationship and the incidents, if any, with the competent monitoring authorities, and may comment on the internal and external audits and surveys conducted during the period under review.

The Group Compliance Officer provides the Managing Board of the Bank with a consolidated annual compliance report for CEB Group and the respective action plans for their acknowledgement not later than February 25.

In some jurisdictions where CEB Group conducts activities through a location an annual compliance report needs to be sent to the competent authorities. Prior to fulfilling this obligation, the Country Compliance Officer should seek approval from the Group Compliance Officer and, where appropriate, from the Head of the Compliance Department of the Bank.

4.6.2 Quarterly compliance reports

Each CEB Group entity provides quarterly reports on compliance related matters to the Group Compliance Officer either directly or on a consolidated basis for the Bank or a country, according to the functional reporting lines of the compliance function established in this Charter.

Quarterly compliance report shall be provided to the Group Compliance Officer not later than by 10th day of the month following the end of the reporting period.

The quarterly compliance report shall be supported by the updated risk assessment (as per the quarter end) and appropriate action plan, which should be discussed with and acknowledged by the local management of the respective CEB Group entity.

Following this, the Group Compliance Officer will provide the Managing Board of the Bank with a consolidated quarterly compliance report and the respective updated action plans for their acknowledgement not later than by the 25th day of the month following the end of the reporting period.

The Group Compliance Officer will deliver a copy of this report to the members of the Compliance Oversight Committee.

4.6.3 Weekly compliance updates

Weekly compliance updates are considered part of the compliance regular reporting. The purpose of the compliance updates is to keep the Managing Board and the Group Compliance Officer updated on any significant compliance related issues, already present or anticipated, in all locations in which CEB Group is operative.

Following this, the Group Compliance Officer will provide the Managing Board with a consolidated update on compliance related issues at regular meetings with the Managing Board.

4.6.4 Reporting compliance incidents

Incident reports focus on facts or major incidents that should be made known without delay. Major compliance issues still pending (e.g. serious violation of legislation resulting in a compelling instruction from the regulator or even a fine, issues which may result in reputational damage) must be reported to the Group Compliance Officer immediately. The latter will inform the Managing Board of the Bank and, if not already done by the respective Country Compliance Officer, his/her management accordingly.

4.7 Access to information and external advice

4.7.1 Access to information

Compliance has access to all information available they deem relevant for their duties and authorities. This will include documents and records as well as consultations with members of the local management or the staff.

4.7.2 External advice

Compliance in a CEB Group location may consult or seek advice from external advisors if the necessary expertise is not available internally. In such a case the Group Compliance Officer shall be informed in advance.

4.8. Meetings

Since the Managing Board of the Bank is ultimately responsible for compliance related matters within the Bank and within CEB Group, regular discussions between the Managing Board and the Group Compliance Officer and the Head of Compliance Department of the Bank should be encouraged.

The meetings should take place as frequently as dictated by the circumstances and according to a (predefined) meeting schedule. As a minimum, such meetings must take place, as a rule, on a bi-weekly basis.

Country Compliance Officers should also have meetings with their local management. As a minimum, such meetings must take place, as a rule, on a bi-weekly basis.

The topics for discussion in the regularly scheduled meetings mentioned above are: incidents, relevant reviews and investigations, contacts with the regulators, relevant developments in the area of legislation and regulation, compliance aspects of new products and new activities, the regular compliance reports and any other compliance-related subjects. There will be minutes of such meetings to document the topics discussed and agreed upon.

5. Co-operation

The compliance function in a CEB Group location cooperates closely with the business lines and other support functions, for example, Legal, Human Resources and Internal Audit. Examples of the areas of co-operation with other support functions are given below.

Legal

- Developments in legislation and the consequences for CEB Group and/or a specific CEB Group entity
- Complaints handling / Special investigations

Human Resources

- Implementing internal regulations, codes of conduct
- Measures in case of compliance incidents
- Information and training of (sensitive) staff

Internal Audit

- Audit reviews
- Special investigations
- Risk assessments

Annex 1: General scope of Compliance

A. Staff integrity

Integrity-sensitive positions
Incident handling
Confidentiality
Prevention of insider dealing
Conflicts of interest
Chinese walls
Gifts
Additional functions outside

B. Customers integrity

Customer acceptance
Customer follow-up/review
Anti-Money Laundering
Prevention of terrorist financing
Fraud handling
Sanctions and restrictive measures

C. Organization and systems integrity

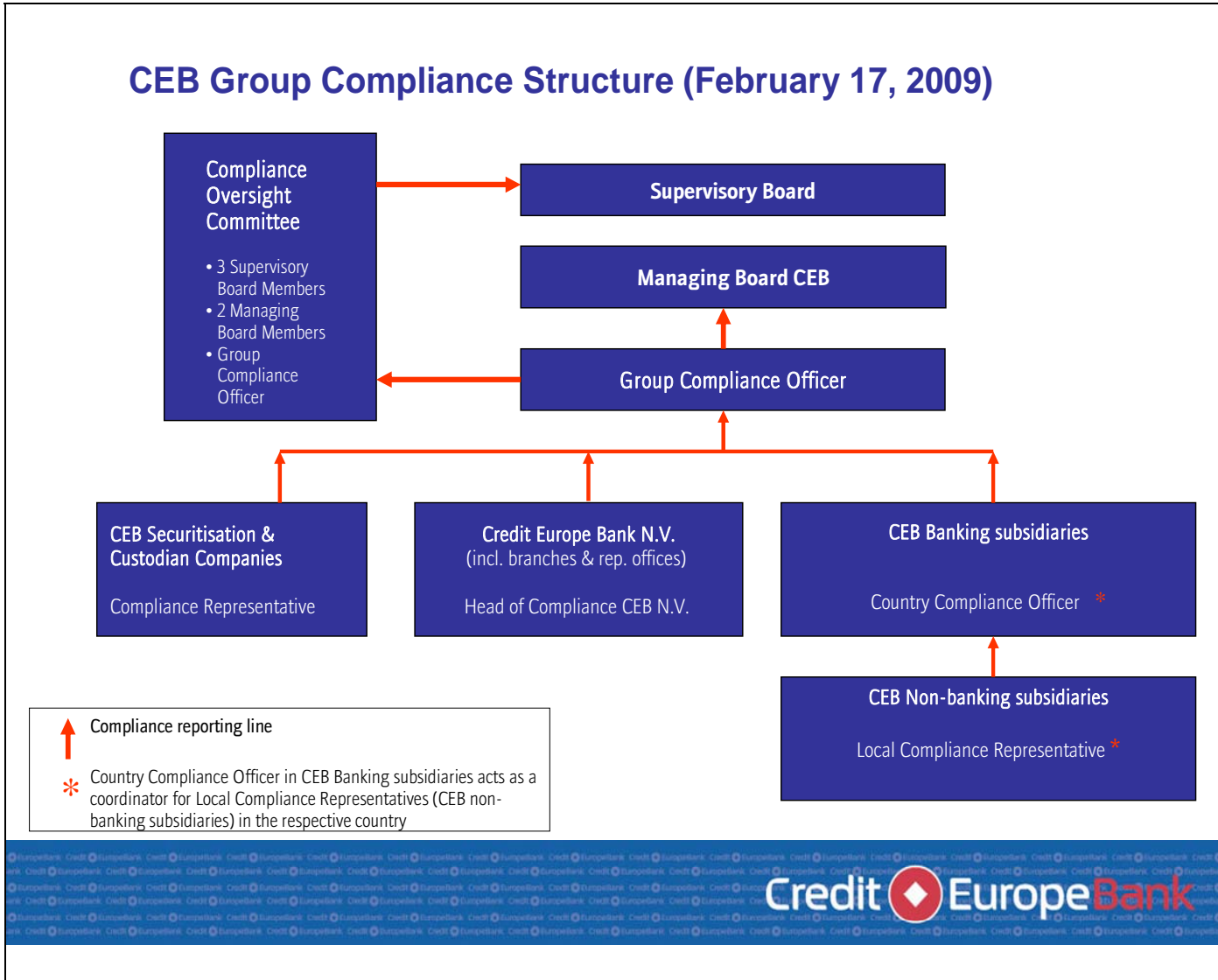
Privacy
Data protection/archiving
Outsourcing

D. Duty of care

Information to customers
Advice to customers
Product suitability
Complaints handling

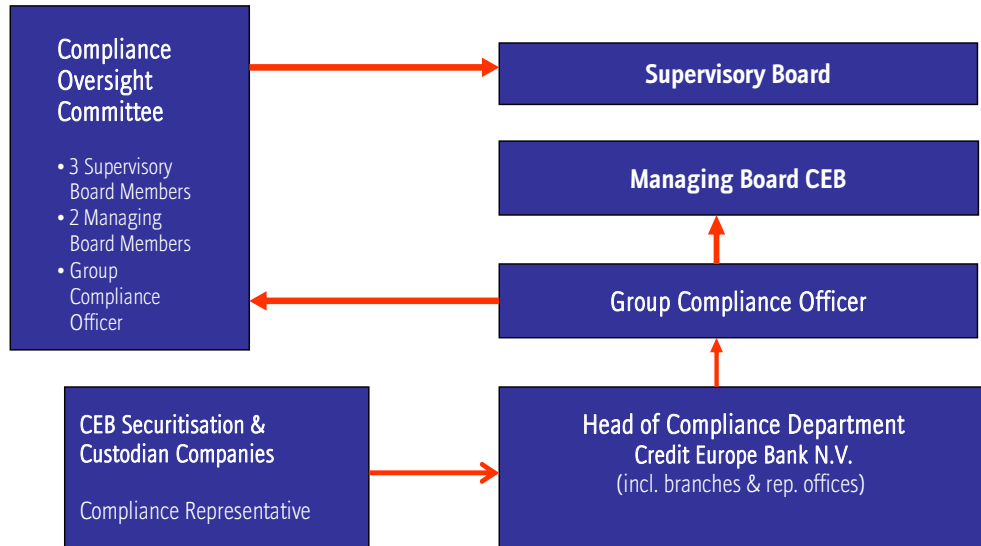
Annex 2: Organogram CEB Group compliance structure as per February 17, 2009


CEB Group Compliance Structure (February 17, 2009)



Annex 3: Organogram Credit Europe Bank N.V. compliance structure as per February 17, 2009

Credit Europe Bank N.V. Compliance Department Structure (February 17, 2009)



 Compliance reporting line



Annex 4: Organogram compliance structure at a country level as per February 17, 2009

