

MEMORANDUM
for Vnesheconombank's employees on the compliance with the statutory prohibition to receive gifts from other legal and physical entities when performing job duties

Section 349(1)(4)(4) of the RF Labour Code prohibits employees of state corporations to receive gifts from other legal and physical entities when performing their job duties.

Yet, organisations and their representatives may wish to make a gift to Vnesheconombank's employees on a conventional occasion, including, inter alia, birthdays or other special events. In this case, a gift cannot be clearly regarded as arising from official duties. It should, however, be taken into account that receiving a gift from an organisation engaged in activities intersecting with Vnesheconombank's employee's official duties may place such an employee in a conflict of interest position. The received benefits may negatively affect the performance of job duties and the objectivity of decision-making. Moreover, this may raise doubts by citizens about Vnesheconombank's employee's impartiality, thus damaging Vnesheconombank's reputation.

The applicable legislation does not establish any restrictions for receiving gifts or other benefits by Vnesheconombank's employees' relatives. Still, it should be noted that in most cases such gifts are made with the intention to evade the existing regulatory restrictions and affect the activities and decisions of Vnesheconombank's employees.

It is not recommended that Vnesheconombank's employees and their relatives receive gifts from organisations if such gifts are given in connection with performance of their official duties whatever the cost of, and occasion for, such gifts.

If a gift arises from official duties, Vnesheconombank's employee may be subject to disciplinary sanctions.

If a gift does not arise from official duties, it is recommended that Vnesheconombank's employees take into account that receipt of gifts from interested entities or individuals may damage Vnesheconombank's reputation and is, therefore, undesirable whatever the occasion.

Vnesheconombank's employees ought not to accept any gifts addressed to them or their family members, relatives, citizens and organisations they work or have worked with, if such gifts may affect their impartiality, become or be regarded as an award relating to the performance of official duties by Vnesheconombank's employees.

It is recommended that Vnesheconombank's employees should not accept gifts from their direct subordinates whatever the cost or occasion. Particular attention should be paid to the

receipt of regular gifts from the same giver. It should be noted that such gifts may be regarded as arising from official duties which may result in a conflict of interests. In this connection, it is recommended that Vnesheconombank's employees return such gifts to the giver to avoid a conflict of interests.