

APPROVED

03.01.2018

*Approved
S. Kalvitsky
03.01.2018*

ANTI-CORRUPTION, ANTI-MONEY LAUNDERING AND OTHER REGULATIONS

for business partners of
«SQUARE METER» PROPERTY & INVESTMENTS LLP (London, UK)

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1. Information card

1.1 Effective date of the document	03.01.2018
1.2 Expiration date of the document	01.12.2025
1.3 Information about the document replaced by this document	
Primary document	

2. General terms

Business process / area of business	Ensuring business security
Purpose of this document	This Regulations is part of the company's compliance program and is introduced in order for the Company, its management bodies, and employees to comply with current legislation and organize the Company's activities at a high professional and ethical level.
Scope	Present Regulations is permanent and applies to all transactions and relationships of the Company. The Regulations is binding on all employees of the Company.
Employee responsible for controlling	Managing partner
Employee responsible for alteration	Managing partner

3. List of reference documents/legal framework for anti-corruption regulation

UK act 2010	UK Bribery Act 2010
USA law of 1977	US Foreign Corrupt Practices Act 1977 (USFCPA) with all changes and additions
United Nations Convention against Corruption 31.10.2003	Against Corruption (adopted in New York at the plenary session of the 58th session of the UN General Assembly)
OECD Anti-Bribery Convention 21.11.1997	OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (adopted in Istanbul on 21.11.1997)

ETS №173 27.01.1999	Criminal Law Convention on Corruption CETS № 173 (adopted in Istanbul on 27.01.1999)
Recommendations from the UK Ministry of Justice	Developing and implementing a system of appropriate procedures for compliance with UK Law (UK Bribery Act 2010)
Recommendations (Transparency International)	Transparency International the UK Bribery Act 2010 Adequate Procedures Guidance on good practice procedures for corporate anti-bribery programs
ICC Rules on Combating corruption	To prevent cases of extortion and bribery (ICC Rules on Combating corruption)
Guide of Transparency International	Transparency International Anti-corruption Plain Language Guide 2009

4. Preamble

«SQUARE METER» PROPERTY & INVESTMENTS LLP (London, UK) (referred to below collectively as **«Company»** or **«We»**) is obligated to act in compliance of applicable law in all their business activities. The Company also expects all its employees to act in conformity with applicable law and internal company guidelines. The Company creates the general internal conditions necessary to do this, especially in the areas described below.

The Company also expects the same of its business partners and therefore maintains business relationships only with business partners who hold comparable goals (as specified in this regulations) and principles in their business relationships and make similar agreements with their contractors and subcontractors. The Company reasonably expects that business partners will comply with and follow this regulations.

5. Preventing corruption

5.1. Application area

Due to its worldwide business activities, the Company is subject to a wide variety of local and international laws and regulations designed to prevent corruption, including the US Foreign Corrupt Practices Act and the UK Bribery Act.

The Company can be held responsible according to these laws and regulations for acts of corruption committed by its own employees as well as its business partners. With this in mind, business partners agree to do everything to prevent corruption in their sphere of influence and to fight it sustainably and effectively. This includes keeping accurate business books and records to document compliance with applicable laws and regulations.

While performing their obligations, the parties shall not undertake actions that are qualified by law applicable for the purposes of the contract, such as bribing, exceeding official authority, commercial bribery, as well as actions that violate the requirements of the applicable legislation on combating legalization (laundering) of criminal proceeds. Each of the parties shall not accept any stimulation of employees of the other party by giving money,

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gifts, free of charge execution of works (services) and other means not stipulated in this clause that makes an employee dependant to a certain extent and aimed at ensuring the execution of any actions by this employee in favor of the stimulating party.

If a party has reason to believe that a violation of any obligations stipulated by this anti-corruption clause has occurred or may occur, the party undertakes to immediately notify the other party in writing or electronically, or in any other accessible way. The parties acknowledge that their possible unlawful actions and violation of the anti-corruption terms of their contracts may entail adverse consequences: from the inclusion of unreliable counterparties in the register to significant restrictions on interaction with the counterparty, up to termination of the contract and claiming to executive authorities. In order to prevent corruption and fraud the parties shall provide each other with contact details of the hot line for informing of corruption facts.

5.2. Dealing with officials

Our business partners do not influence officials as defined by the applicable laws and regulations either directly or through third parties to facilitate completion of business transactions by offering, promising, or giving personal advantages such as money or other advantages including gifts and services to the official.

5.3. Conduct in business transactions

Our business partners do not influence employees of other companies, including employees of the Company either directly or through third parties to facilitate completion of business transactions by offering, promising, or giving personal advantages such as money or other advantages including gifts and services to the employee.

The business partner shall not request, agree to or accept any personal advantages such as money or other advantages including gifts and services from third parties, and especially from the Company employees to perform its business activity for the use of the third parties. This does not include appropriate gifts which are typical for the relevant country.

The Parties shall notify each other about all the cases they know about influence or attempts to influence by employees of the Party, members of their family, representatives and (or) other authorized or affiliated persons of the Party, or about other cases or actions forward to receive from the other party money, other property or property rights or other benefits by employees, members of their family, representatives or affiliated persons of the party.

In case of business partner wrongfully breach the rules specified above, business partner shall willingly and irrevocably pay the Company the liquidated damages in the amount of 10 000 euro (ten thousand) within 10 (ten) working days from the date when business partner receive the claim.

In case representative of the Company wrongfully breach the rules specified above and if business partner willingly inform the Company management, the Company shall willingly and irrevocably pay business partner the liquidated damages in the amount 10 000

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euro (ten thousand) within 10 (ten) working days from the date when the Company receive the claim.

6. Tax compliance

Our business partners hereby represents and warrants that they are good faith taxpayer, they have no debts of payments to the budget; pay and will pay all taxes and fees in accordance with the current legislation, all operations are fully reflected and will be, acting in goods faith, fulfil current legislation and there is no intent to breach the law.

In case business partners breach specified warranties and guarantees, they shall compensate the Company damages caused by violation tax legislation, including losses in the amount of sums of additional tax, penalties and fines charged by tax authorities upon transactions between the business partner and the Company within 30 working days from the date of claim.

7. Conditions of employment

The Company strives to ensure ethical conduct of its employees as defined by international codes and human rights conventions. the Company expects the same of its business partners.

7.1. Discrimination

Our business partner shall therefore not tolerate any discrimination among its employees based on gender, race, sexual orientation, disability, ethnic or cultural origin or age. The business partner's employees shall not be subjected to sexual harassment or other forms of intimidation. The business partner also rejects any form of forced labour.

Our business partner recognises the right of its employees to form employee representative bodies and to join them or trade unions. Members of employee representative bodies or trade unions will not be disadvantaged or terminated without a valid legal reason.

7.2. Child labour and fair working conditions

In regard to child labour, our business partner complies with the applicable conventions of the United Nations regarding the rights of children. If a national regulation regarding child labour has stricter provisions, compliance with those provisions shall take precedence for the business partner.

Our business partners ensure fair working conditions. This means it does not pay salaries that are below the legal limit and minimum standards for the industry and ensures that it working hours are in line with applicable laws and customary industry standards.

7.3. Health and safety

Our business partner complies with applicable laws, regulations and provisions to ensure safe and healthy working conditions for its employees. The business partner should monitor this with regular checks and evaluations of health and safety conditions in its company.

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8. Antitrust law and competition law

The Company is a supporter of fair competition, supports the development of relevant regulations on the suppression of monopolistic activities, protection of competition and prevention of its restrictions, and always adheres to the principle of "zero tolerance" to antitrust violations. The Company and all employees conduct their activities in accordance with the principles of fair competition, as well as all applicable regulations, policies and procedures. Our business partner agrees to observe the principles of free and fair competition and shall therefore comply with all applicable provisions of antitrust law, rules of competition and other laws, regulations and legal provisions of the business partner's country as well as all relevant international regulations. Business partners of the Company are not involved in arrangements with competitors in violation of antitrust provisions. They do not exchange sensitive information in violation of antitrust provisions, nor do they abuse any dominant market position they may enjoy. The ban on restrictive practices includes especially agreements, resolutions or concerted practices between companies or joint ventures that impede, restrict or corrupt competition or attempt to do the same (for example arrangements regarding prices, terms and conditions, agreements regarding quotas, customers or regions), arrangements between providers regarding prices or terms and conditions as part of public or private tenders, abusing a dominant market position and also illegal restrictions in licensing, delivery, sales or production contracts.

9. Data protection and confidentiality

Our business partner agrees to comply with all applicable laws related to the protection of personal data (especially of employees, business partners and customers). Confidentiality is always mandatory for any obligations arising from agreements with the Company.

10. Money laundering

Our business partner uses suitable organisational measures in its company to suppress money laundering.

11. The environment

Our business partner shall comply with all relevant applicable environmental laws, regulations and provisions.

As part of the business partner's business activities, it strives to evaluate and minimise negative effects on the environment and to make optimum use of natural resources.

Our business partner shall systematically and continuously measure and improve its performance in this regard. It will raise employee awareness through suitable training and programs.

12. Import and export regulations

With regard to business activities on a global scale, our business partner shall take care to comply with applicable laws and regulations for importing and exporting goods, services and information as well as fighting international terrorism. Our business partners hereby represents and warrants that the Goods import on the territory of any foreign country

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with compliance of all requirements, procedure and formalities specified by applicable law; go through customs clearance and release for free circulation on the territory of the country; all taxes, fees and payments related to customs clearance are fully paid in accordance to law. In case our business partners breach specified representatives and warranties, they shall compensate the Company damages and costs caused by violation.

13. Compliance

The business partner shall ensure that its employees are informed of the contents of these compliance regulations and also of the obligations they involve.

The business partner shall also select any consultants, representatives, dealers, agents and other intermediaries according to appropriate criteria of suitability and shall ensure compliance with the relevant obligations of these compliance regulations to prevent corruption by any such persons who are involved.

If there is a risk of violations of these Compliance Regulations and obligations listed here by the business partner or third parties, the business partner shall inform the Company promptly.

In case of breach current Compliance Regulations the Company reserves the right to impose appropriate sanctions in such cases. This may range from temporary suspension to premature termination of the business relationship as well as enforcement of claims for damages. In this case, termination of the Agreement will be considered as termination due to the fault of the business partner.

If the business partner becomes aware of the risk of violations of applicable law or the content of these Compliance Regulations by third parties, the business partner shall take advantage of the opportunity to contact the Company.

Managing partner

Sergey Kalnitsky

