

APPROVED  
By a resolution of the General Meeting of Shareholders  
of "ROSBANK" (OJSC JSCB)  
Minutes No. 19 dated June 19, 2003  
(as amended; amendments approved  
by resolutions of the General Meeting of Shareholders  
of "ROSBANK" (OJSC JSCB),  
Minutes No. 22 dated June 23, 2005 and  
Minutes No. 25 dated February 22, 2006)

**REGULATIONS  
on the Board of Directors of  
"ROSBANK" (OJSC JSCB)**

1. General Provisions

1.1. These Regulations have been adopted on the basis the Federal Law "On Joint Stock Companies" (hereinafter referred to as the "Law") and the Articles of Association of "ROSBANK" (OJSC JSCB) (hereinafter referred to as the "Articles of Association").

1.2. These Regulations shall define procedure for convening and conducting meetings of the Board of Directors and for its decision-making.

1.3. The Board of Directors shall provide overall guidance over the operation of "ROSBANK" (OJSC JSCB) (hereinafter referred to as the "Bank"), with the exception of matters falling under the Law and the Articles of Association within the competence of the Bank's General Meeting of Shareholders, its Management Board, and the Chairman of the Management Board.

1.4. The Members of the Board of Directors shall be elected by the General Meeting of Shareholders by cumulative vote for a period of up to the next annual shareholders' meeting. Elections shall be performed in the order stipulated by the Law and the Articles of Association. The General Meeting of Shareholders may decide to remunerate and/or reimburse for expenses the members of the Board of Directors for the period they act in this capacity. The amount of remuneration shall be determined by decision of the General Meeting of Shareholders.

1.5. An extraordinary General Meeting of Shareholders may early terminate the authorities of the members of the Board of Directors. Such decision shall be taken in respect of all members of the Board of Directors only.

1.6. A General Meeting of Shareholders shall decide on the number of members of the Board of Directors.

1.7. Members of the Bank's Management Board shall not represent more than one-fourth of the Board of Directors.

1.8. The members of the Board of Directors shall elect the Chairman of the Board of Directors from among them by a majority of votes of their total number. The Chairman of the Bank's Management Board may not simultaneously act as the Chairman of the Board of Directors.

The Chairman of the Board of Directors shall:

- organize and ensure efficient operation by the Board of Directors;
- be responsible for the preparation of agendas for meetings of the Board of Directors;
- convene and preside at meetings of the Board of Directors;
- ensure the most efficient decisions on the matters on the agenda;
- ensure a free discussion on the matters on the agenda;
- take all necessary measures for the members of the Board of Directors to be timely provided with the information required for their decision-making on the matters on the agenda;
- initiate the drafting of decisions on the matters discussed;
- ensure record of the minutes;

- preside at the General Meeting of Shareholders;
- sign the minutes of the Board of Directors' meetings;
- sign labour contracts with the Chairman and members of the Management Board on behalf of the Bank, unless otherwise decided by the Board of Directors;
- ensure the drafting of the Bank's internal regulations, the approval of which fall within the competence of the Board of Directors; and
- remain continuously in touch with other Bank's bodies and officers.

In the absence of the Chairman of the Board of Directors, the Chairman's functions shall be performed by a member of the Board of Directors, designated by a decision of the Board of Directors.

1.9. The Board of Directors may at any time re-elect its Chairman by a majority of votes of the total number of Directors.

1.10. If the number of members of the Board of Directors becomes less than one-half of the number constituting a quorum at the Board meeting, the Board of Directors shall be obliged to convene an extraordinary General Meeting of Shareholders in order to elect a new Board of Directors. Those members of the Board of Directors still incumbent may only decide to convene such extraordinary General Meeting of Shareholders for election of a new Board of Directors.

1.11. The Board of Directors shall elect the Secretary of the Board of Directors and the Deputy (Deputies) of the Chairman of the Board of Directors by a majority of votes of the members of the Board of Directors present at the Board of Directors meeting.

1.12. For the purposes of preliminary consideration of matters which refer to the competence of the Board of Directors, the Board of Directors shall set up special permanently functioning committees: strategy committee, audit committee, nomination (personnel) and remuneration committee. If necessary, the Board of Directors may establish other committees, provisional or standing. Heads of the committees are appointed from the members of the Board of Directors, however, only independent directors may be appointed as heads of audit committee, nomination (personnel) and remuneration committee. The committees of the Board of Directors are formed from the members of the Board of Directors. Members of the committees shall be elected by a majority of votes of the members of the Board of Directors present at the Board meeting. The committees of the Board of Directors function on the basis of regulations approved by the Board of Directors. When adopting decisions, the Board of Directors shall seek in advance an opinion of the respective committee of the Board of Directors.

1.13. The Board of Directors of the Bank shall always include at least two Independent directors. Save for the case of defining an «independent director» for purposes of concluding «interested party» transactions according to Art. 83 of the Law, qualified as Independent directors should be those who meet the requirements set up by: (a) the list of requirements whose observance stipulates inclusion of shares in quoted list of the stock exchange in the Russian Federation (or in case when validity of such list is cancelled, — on the similar requirements), and (b) the Combined Code on Corporate Governance, regularly published by the Financial Reporting Counsel of the United Kingdom and Northern Ireland (or if the validity of the Code expires, — by other similar document).

1.14. At the first meeting held after the annual or extraordinary General Meeting of Shareholders of the Bank at which the new Board of Directors was elected, the Board of Directors:

- elects the Chairman of the Board of Directors;
- elects Deputy (resp. Deputies) of the Chairman of the Board of Directors;
- elects members of the committees of the Board of Directors;
- elects the Secretary of the Board of Directors.

This first meeting of the Board of Directors shall be conducted not later than on the 16th working day from the date of the General Meeting of Shareholders. The first meeting of the Board of Directors may be held on the day of convening the General Meeting of Shareholders after the results of voting on the election of members of the Board of Directors are announced.

## 2. Board of Directors Meetings

2.1. The Board of Directors of the Bank shall conduct its meetings as often as may be necessary, but at least once per quarter.

The Chairman of the Board of Directors shall decide on the form of its decision-making (i.e. whether decisions are to be made by those members of the Board of Directors jointly present or by means of absent voting).

The Board of Directors may take its decisions either at an actual meeting (with members of the Board of Directors jointly present) or by means of absent voting (i.e. by poll).

During decision-making at the Board of Directors meeting, each member of the Board of Directors shall have one vote. No member of the Board of Directors may pass his/her vote to any other member or to any third party.

2.2. Where Board of Directors meetings are held in a form of joint presence of members of the Board of Directors, such meetings shall be convened and its decisions are taken in the following manner:

2.2.1. The Chairman of the Board of Directors shall convene its meetings on the Chairman's own initiative, at the request of a member of the Board of Directors, a member of the Bank's Auditing Commission (Internal Auditor), or the Bank's external auditor, the Bank's executive bodies, or a Shareholder(s) representing, in aggregate, at least ten percent (10%) of the Bank's voting shares.

2.2.1.1. Those persons specified in Article 2.2.1 hereof shall submit in writing requests for a Board of Directors meeting and proposals concerning its agenda to the Board of Directors together with a substantiation of the need to hold such meeting and to deal with the matters proposed to be included on its agenda, as well as a statement listing the first name(s), middle name(s), surname(s), and position(s) of such person(s), or the numbers of the Bank's voting shares owned by such person(s) (should the meeting be initiated by a Shareholder(s) representing, in aggregate, at least 10% of the Bank's voting shares), and accompanied by a document confirming such ownership as at the submission date of the request. If a proposal is signed by a shareholder's representative, it shall be accompanied by a power of attorney authorizing the representative to perform the corresponding act or by other documents certifying the representative's right to act in the name of the Shareholder.

2.2.1.2. Within three business days of receiving a request for a meeting of the Board of Directors, its Chairman shall consider such request along with the accompanying proposal for the meeting's agenda and make either of the following decisions:

- to convene the requested Board of Directors meeting with an agenda including the proposed matter; or
- to issue a substantiated refusal to convene the requested Board of Directors meeting to deal with the proposed agenda.

Such decision in writing shall be sent to the persons initiating the Board of Directors meeting (proposing matters for its agenda), who are specified in Article 2.2.1 hereof, within three business days of being made.

Should the Chairman of the Board of Directors decide to convene the meeting requested by the persons specified in Article 2.2.1 hereof, such meeting shall take place within 15 business days of the receipt date of the request.

2.2.1.3. As part of preparations for a meeting of the Board of Directors, its Chairman shall:

- draw up the meeting's agenda;
- designate the date, time, place, and form of the meeting; and
- issue necessary instructions to the Bank's executive bodies and to the Secretary of the Board of Directors related to providing the information material for the meeting.

2.2.1.4. The Board of Directors shall meet on business days at the Bank's address or in another location by agreement among the members of the Board of Directors.

2.2.2. Notices of the Board of Directors meeting shall be forwarded to each member 10 (ten) calendar days prior to the date of the meeting.

Such notification shall be sent to members by one of the following delivery methods:

- registered mail with a confirmation of delivery;
- cable with a confirmation of delivery;
- courier with a confirmation of delivery; or

- fax message with a telecommunication advice of receipt by the designated member of the Board of Directors within one business day from the transmission date of the fax message.

2.2.3. Such notice shall indicate:

- form of voting (i. e. joint presence of members of the Board of Directors);
- date, time, and place of the meeting; and
- matters on the agenda.

The notice shall be accompanied by all of the necessary information material connected with the matters on the agenda of the meeting.

2.2.4. In the event of any force majeure circumstances making it impossible to conduct a scheduled meeting of the Board of Directors on time and/or in the designated place, such meeting may be postponed for no longer than five business days, provided that members of the Board of Directors are given notification of the new place and time of the meeting (by any means guaranteeing the receipt of such notice) at least two calendar days prior to the date of the adjourned meeting. The Chairman of the Board of Directors is not entitled to alter the agenda of such meeting.

If necessary, any meeting of the Board of Directors may be cancelled by an agreement among all members of the Board of Directors in attendance.

No Board of Directors meeting may deal with any matters outside its agenda, as indicated in the notice of the meeting, unless the majority of members of the Board of Directors present at the meeting decide to consider an additional matter.

2.2.5. The Board of Directors meetings shall be valid if attended by at least one-half of the elected members, unless a qualified majority of the total number of members of the Board of Directors or unanimity of the votes of the Board of Directors are required to take a valid decision on a matter on the agenda, and the votes of exiting members of the Bank's Board of Directors shall not be counted.

Members of the Bank's Auditing Commission and employees may be invited to a Board of Directors meeting, if necessary.

Written opinions from those members who are absent at a Board of Directors meeting shall be taken into account for the purposes of determining whether a quorum is in evidence, as well as the results of voting.

A written opinion of the Board of Directors shall be submitted by a member of the Board of Directors going to be absent at a Board of Directors meeting to the Secretary of the Board of Directors before the opening of the meeting, as indicated in the notice of the meeting.

The written opinion from a member of the Board of Directors which is submitted later than required hereof shall be disregarded for the purposes of determining whether a quorum is in evidence, as well as the results of voting.

A written opinion from a member of the Board of Directors may include his/her votes either on all or some matters on the agenda.

Such opinion shall be taken into account for the purposes of determining whether a quorum is in evidence, as well as the results of voting, but only in respect of those matters on the agenda which are covered by the member's votes as expressed in the opinion.

If a copy of a member's written opinion fails to be included in the information provided to the members of the Board of Directors as part of preparations for a meeting, the person presiding at the meeting shall read out such written opinion from the member absent at the Board of Directors meeting before the commencement of voting on the matter regarding which that opinion has been submitted.

2.2.6. The minutes shall be recorded at the Board of Directors meeting and shall be formally executed within three business days of the meeting.

2.3. The Board of Directors shall make decisions by absent voting (i.e. by poll) in the following manner.

2.3.1. In the event of a poll, each member of the Board of Directors shall be sent a voting ballot together with a notice of the forthcoming meeting.

Such ballot paper shall indicate and contain the following:

- full trade name of the Bank;
- first name, middle name, and surname of the member of the Board of Directors;
- expiry date of the period reserved for the acceptance of voting ballots;
- address to which voting ballots are to be sent;

- wording of every matter to be put to the vote, and voting options, as expressed by the words "for", "against", or "abstained"; and
- reminder that the ballot paper must be signed by the member of the Board of Directors.

2.3.2. During absent voting, the determination of whether a quorum is in evidence shall be based on the number of the members who took part in the voting. The quorum shall be deemed available if at least one-half of the elected members have participated in the voting, unless a qualified majority of the total number of members or unanimity of votes of the Board of Directors are required to take a valid decision on a matter on the agenda, and the votes of exiting members of the Bank's Board of Directors shall not be counted.

2.3.3. The legal significance of a Board of Directors decision taken by absent voting shall be the same as that taken by a meeting in a form of joint presence of Board members.

### 3. Procedure for keeping the minutes

3.1. Minutes of the meetings of the Board of Directors shall be kept by the Secretary of the Board of Directors elected in accordance with Par. 1.14 of these Regulations. Powers of the Secretary of the Board of Directors of the Bank may be cancelled at any time by a decision of the Board of Directors of the Bank.

In case such Secretary is not elected, the Board of Directors may entrust the functions of its Secretary to persons from among the Bank's employees specially invited to the Board of Directors meetings for such purpose.

The Secretary of the Board of Directors shall perform the following functions:

- assist the Chairman of the Board of Directors in drawing up agendas for meetings;
- ensure duly notification of Directors and invitees of each meeting and send the meeting's agenda to members of the Board of Directors along with other material necessary to get prepared for the meeting, as well as ballot papers for that decision-making by the Board of Directors which is held by absent voting;
- assure the venue of each meeting to be duly prepared, including preparations in terms of technical support;
- provide members of the Board of Directors with necessary consultations during meetings;
- maintain the Board of Directors' document flows;
- keep minutes of Board of Directors meetings and send out such minutes to members of the Board of Directors;
- send information about Company's operation to members of the Board of Directors upon their request;
- ensure the resolution of organizational issues during the preparation and conduct of the Company's General Meeting of Shareholders; and
- act as secretary at the Bank's General Meeting of Shareholders, keep, execute, and sign its minutes, and bring such minutes and resolutions made by meetings of shareholders to the notice of shareholders.

3.2. The minutes shall indicate or contain the following:

- form of voting (voting by jointly present members of the Board of Directors or by means of absent voting);
- date and place of the Board of Directors meeting (in case of absent voting, the execution date of the minutes);
- persons present at the meeting (in case of absent voting, the persons who have taken part in the voting);
- agenda of the meeting;
- matters put to the vote, and the results of voting; and
- decisions taken by the Board of Directors.

The minutes may also include other essential information.

3.3. The minutes of each meeting of the Board of Directors shall be signed by the Chairman of the Board of Directors who shall be liable for the proper execution of such minutes.

The minutes at Board of Directors meetings shall be sent to members of the Board of Directors within five (5) business days of the corresponding meeting.

3.4. The minutes shall be kept on file at the location of the Bank's executive body. The Secretary of the Board of Directors shall be liable for the custody of the minutes.

Access to the minutes of Board of Directors meetings which contain confidential or classified information shall be provided in accordance with established procedure.

3.5. The Secretary of the Board of Directors may issue extracts from the minutes of the Board of Directors meetings, from the Articles of Association, from the minutes at the General Meeting of Shareholders, from these Regulations, and from other documents related to the conduct of the General Meeting of Shareholders or the Board of Directors meetings.

3.6. Such extracts shall be certified by the signature of the Secretary of the Board of Directors and, if necessary, by the signature of the Chairman of the Board of Directors, a member of the Board of Directors, the Chairman of the Management Board, or other Bank's executive, as well as by the Bank's seal.

#### 4. Decision-making procedure

4.1. The Board of Directors shall take decisions by a majority of votes of members of the Board of Directors present at the meeting (or members of the Board of Directors having sent their ballot papers to the Bank), unless a qualified majority or unanimous voting are required for such decision-making by applicable legislation or the Articles of Association.

Each Director shall have one vote during decision-making at the Board of Directors meetings.

In the event of a tie among members of the Board of Directors, the Chairman of the Board of Directors shall be entitled to a casting vote, provided that the Chairman of the Board of Directors has the right to vote on the matter concerned.

The member of the Board of Directors who abstained from voting or who cast the "against" vote may present his/her dissenting opinion in writing within 24 hours of the Board of Directors meeting, and require such opinion to be recorded in the minutes.

Members of the Board of Directors may not transfer their votes to any other person, including other members of the Board of Directors.

4.2. Decisions to increase the Share capital of the Bank or to approve a major transaction which involves property representing 25% to 50% of the Bank's total assets shall require an unanimous vote by all members of the Board of Directors, and the votes of exiting members of the Bank's Board of Directors shall not be counted.

If the Board of Directors unanimity on a major transaction fails, the issue of approval of such major transaction may, subject to a Board of Directors' decision be submitted for decision to a General Meeting of Shareholders.

Unless otherwise stipulated by the applicable legislation, deceased members of the Board of Directors shall be deemed no longer incumbent.

4.3. The Board of Directors decisions on the Company's approval of a interested-party transaction shall require a supportive majority vote by the members of the Board of Directors having no interest in such transaction.

If all members of the Board of Directors are deemed to have an interest in a transaction and/or not considered to be independent members of the Board of Directors, the transaction concerned may be approved by a resolution of a General Meeting of Shareholders in accordance with the applicable procedure prescribed by the Law.

4.4. The Board of Directors shall take decisions on the price (value determination) of the assets, as well as on the placement or repurchase price of issuing (*emissionnye*) securities, in accordance with Article 77 of the Law "On Joint Stock Companies".

4.5. The Board of Directors shall not:

- alter the wordings of matters proposed for inclusion on the agenda of a General Meeting of Shareholders, or proposed related resolutions;

- alter the form of conducting of an extraordinary General Meeting of Shareholders being convened at the request of the Company's Auditing Commission (Internal Auditor), external auditor, or Shareholder(s) representing, in aggregate, at least 10% of the Bank's voting shares, if the request specifies the form of the meeting sought;

- set a higher value determination of the assets, in case of payment for the Bank's shares in kind, than the estimate made by an independent appraiser;

- fix the repurchase price for the Bank's shares at a level lower than their market value as determined by an independent appraiser;
- take any decision other than that to convene an extraordinary General Meeting of Shareholders in order to elect a new Board of Directors upon the expiry of the incumbent Board of Directors' tenure or in the event the number of members of the Board of Directors falls below that constituting the quorum required under the Articles of Association; or
- perform certain other functions in the cases stipulated by the Federal Law "On Joint Stock Companies" and the Bank's Articles of Association.

## 5. Rights and obligations of a member of the Board of Directors member

### 5.1. A member of the Board of Directors shall have the right:

- to require that the Bank's officials and employees provide any information such as documents and other material in accordance with established procedure;
- to receive remuneration and/or reimbursement for the expenses related to the performance of the duties as a member of the Board of Directors in the amounts determined by a resolution of a General Meeting of Shareholders;
- to inspect the minutes at the Board of Directors meetings, the Management Board's meetings and to receive copies of such minutes; and
- to require the dissenting opinion of a member of the Board of Directors on matters on the agenda and on decisions taken being recorded in the minutes of the Board of Directors meeting.

### 5.2. A member of the Board of Directors shall be obliged:

- to act in the interests of the Bank and to perform his/her duties and exercise his/her rights in relation to the Bank in a good-faith and reasonable manner;
- not to disclose any of the confidential information having become known to him/her about the Bank's operation and any of the data constituting the Bank's commercial secrets and/or state secrets;
- to initiate the Board of Directors meetings to resolve urgent matters;
- to participate in decision-making by voting on the matters included in the agenda of the Board meetings;
- to take reasonable decisions and, for such purpose, to review all relevant information (material), conduct investigations, and bring without exception all information related to the decisions to be made to the notice of all members of the Board of Directors;
- in course of decision-making, to evaluate risks and adverse consequences;
- to notify the Board of Directors of any and all planned transactions in which such Director may be deemed to have an interest; and
- to prepare matters falling within the Board of Directors competence and to submit them for consideration to the Board of Directors.

5.3. A member of the Board of Directors may not simultaneously serve on the Bank's Auditing Commission or as the Bank's Internal Auditor.

5.4. The Bank's shares owned by members of the Board of Directors may not take part in elections to the Bank's Auditing Commission or the election of the Bank's Internal Auditor.

5.5. Those members of the Board of Directors who also serve on the Management Board as its Chairman or members may not take part in voting to terminate the authorities of such Management Board's members, or to execute or terminate contracts with them, or to approve the terms and conditions of such contracts, as well as to approve the amount of remuneration and reimbursement payable to the Management Board's members concerned.

5.6. The members of the Board of Directors shall be liable to the Bank for the losses caused to the Bank by their culpable acts or omissions, unless other grounds for and the extent of their liability are prescribed by the applicable legislation of the Russian Federation.

The members of the Board of Directors who voted against the decision which has inflicted losses on the Bank or who did not take part in the voting shall bear no liability in such cases.

5.7. Grounds for and the extent of members of the Board of Directors liability shall be determined with due regard for the ordinary course of business and other factors of relevance to the case.

In case several persons are held liable, their liability to the Bank shall be joint and several.

5.8. The Bank may obtain civil-liability insurance cover for all of its members of the Board of Directors related to their participation in decision-making by the Board of Directors.

5.9. Each Director shall be obliged on or before the 15<sup>th</sup> day of the month following directly after the last month of each calendar quarter to provide the Bank with the following information in writing:

- nature of any family ties with persons serving on the Bank's managing bodies (members of the Board of Directors or of the Management Board), on the Bank's Auditing Commission and/or with the Chairman of the Management Board;

- equity participation in the Bank and in its subsidiaries and dependent companies;

- number of ordinary shares of the Bank or its subsidiaries and dependent companies in his/her possession; and

- share options granted to him/her on the shares of the Bank, its subsidiaries and dependent companies.

5.10. Each member of the Board of Directors has to submit to the Bank in writing (disclose) any information on any sale and/ or purchase of the Bank's securities not later than on the next business day following the date when the title to the securities was transferred. The information mentioned hereof should contain the following data: (a) first name, surname and patronymic of the member of the Board of Directors; (b) type of transaction (sale or purchase); (c) number of securities sold or purchased; (d) price of sale or purchase; (e) variety, category and type of securities and (f) overall number of securities of the given variety, category and type owned by this member of the Board of Directors after such sale or purchase.

## 6. Evaluation of performance by the Board of Directors and its members

6.1. The Board of Directors shall annually evaluate performance of its members.

6.2. A performance evaluation of each member of the Board of Directors shall cover the following aspects:

- regularity of attendance at Board of Directors meetings;
- extent of readiness for such meetings;
- activity in participation;
- independence and objectivity in judgments; and
- respect for ethical standards.

The members of the Board of Directors shall not be present at the meeting while discussing and evaluating their performance.

## 7. Amendments to Regulations on the Board of Directors

7.1. A General Meeting of Shareholders shall decide on amendments to these Regulations.

7.2. Should any provisions of these Regulations come into conflict with any requirements of the applicable legislation of the Russian Federation, the relevant Russian legislative requirements shall govern.