

**APPROVED
BY THE DECISION OF
THE GENERAL MEETING OF SHAREHOLDERS**
Minutes No.1 dated June 27, 2008

By commission of the General Meeting of Shareholders
Chairman of the General Meeting of Shareholders
of Bank Vozrozhdenie

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[seal]

**REGULATION
ON THE BOARD OF DIRECTORS**

of Bank Vozrozhdenie

(new edition)

**Moscow
2008**

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1. GENERAL PROVISIONS

1.1. The Regulation on the Board of Directors of Bank Vozrozhdenie (hereinafter referred to as the Regulation, the Board of Directors, the Bank, respectively) stipulates the status, the order of creation and the scope of authority of the Board of Directors, rights, duties and responsibility of the members of the Board of Directors, the order of calling and holding of meetings of the Board of Directors and execution of its decision, as well as other issues of the activity of the Board of Directors.

1.2. In performance of its activity, the Board of Directors follows Federal laws "On banks and banking activity", "On Central Bank of the Russian Federation (Bank of Russia)", "On joint-stock companies", other federal laws and regulations of the Russian Federation, the Articles of Association of the Bank, decisions of the General Meeting of Shareholders, this Regulation and internal documents of the Bank.

2. STATUS, GOALS AND OBJECTIVES OF THE BOARD OF DIRECTORS

2.1. The Board of Directors of the Bank is a management body of the Bank in charge of general management and control of the Bank's activity and is entitled to take decisions on any issue of its activity except for the issues attributed to the competence of the General Meeting of Shareholders by Federal law "On joint-stock companies" and the Articles of Association of the Bank.

2.2. The main goal of activity of the Board of Directors is supporting stable financial and business condition of the Bank, its profitability, reliability and competitiveness.

The main objectives of the Board of Directors are:

- defining primary directions of development of the Bank;
- approval of prospective plans, projects and programs;
- providing efficient control of financial and business activity of the Bank;
- providing efficient activity of the executive bodies of the Bank, including by means of controlling their activity;
- providing execution and protection of the shareholders' rights.

2.3. Decisions of the General Meeting of Shareholders taken within its competence are binding upon the Board of Directors. The Board of Directors makes annual reports to the General Meeting of Shareholders about its activity.

2.4.

По решению Общего собрания акционеров членам Совета Директоров в период исполнения ими своих обязанностей могут выплачиваться вознаграждение и (или) компенсироваться расходы, связанные с исполнением ими функций членом Совета Директоров Банка. Размеры и порядок выплат таких вознаграждений и компенсаций устанавливаются решением Общего собрания акционеров.

According to the decision of the General Meeting of Shareholders the members of the Board of Directors can be paid remuneration and / or compensation of their expenses related to the performance of their duties during the period of such performance. The amount and the order of such remunerations and / or compensations are stipulated by the General Meeting of Shareholders.

3. SCOPE OF AUTHORITY OF THE BOARD OF DIRECTORS

3.1. Making decisions on the following issues is attributed to the competence of the Board of Directors of the Bank:

3.2.1. Defining primary directions of development of the Bank;

3.2.2. Review of the business plan submitted for approval by the General Meeting of Shareholders, as well as review and approval of the report of the Management Board on execution of the business plan;

3.2.3. Approval of financial and business plan (budget) of the Bank, introducing alterations and amendments into it, approval of internal control procedures of the financial and business activity and control of the financial and business activity of the Bank;

3.2.4. Calling annual and extraordinary General Meetings of Shareholders except for the cases stipulated by the current law of the Russian Federation;

3.2.5. Consideration of incoming proposals on including issues into the agenda of the General Meeting of Shareholders, taking decisions on including or not including them into the agenda of the General Meeting of Shareholders, approval of the agenda of the General Meeting of Shareholders;

3.2.6. Including into the agenda of the General Meeting of Shareholders issues or candidates to create the relevant body of the Bank at its discretion, apart from the issues suggested to be included into the agenda of the General Meeting of Shareholders by the shareholders, as well as in case of shortage of suggestions or candidates suggested by the shareholders;

3.2.7. Taking decisions on issues related to calling, preparation and holding the General Meeting of Shareholders attributed to the competence of the Board of Directors by the law of the Russian Federation, the Articles of Association of the Bank, the Regulation on the Board of Directors and the Regulation on the General Meeting of Shareholders, including:

- (1) calling annual and extraordinary General Meeting of Shareholders of the Bank;
- (2) form of holding the General Meeting of Shareholders;
- (3) date, venue and time of holding the General Meeting of Shareholders, or in case of holding the General Meeting of Shareholders in the form of absentee voting, defining the deadline of accepting voting ballots and the postal address to sent the filled in voting ballots;
- (4) defining the date of drawing the list of shareholders eligible for participation in the General Meeting of Shareholders;
- (5) approval of the agenda of the General Meeting of Shareholders;
- (6) the order of notifying the shareholders about the General Meeting of Shareholders;
- (7) the list of information (data) presented to the shareholders in preparation for the General Meeting of Shareholders and the order of its presentation;

3.2.8. Preliminary approval of the annual report of the Bank;

3.2.9. Increase of the authorized capital of the Bank through placement of additional shares (issued securities convertible into shares) by means of open subscription within the amount and categories (types) of the quoted shares if the number of placed ordinary shares (issued securities convertible into shares) makes 25 or less percent of earlier placed ordinary shares;

3.2.10. Approval of decision on securities issue, prospect of issue in cases stipulated by the current law of the Russian Federation;

3.2.11. Placement of bonds and other issued securities by the Bank;

3.2.12. Disposal of shares and other issued securities convertible into shares acquired by the Bank without the purpose of reduction of the authorized capital of the Bank;

3.2.13. Defining the price (financial assessment) of the property, price of placement and redemption of securities in cases stipulated by the current law of the Russian Federation;

3.2.14. Purchase of shares, bonds and other securities placed by the Bank in cases stipulated by the current law of the Russian Federation;

3.2.15. Approval of the report:

3.2.15.1. on results of purchase of shares in case the General Meeting of Shareholders took the decision to reduce the authorized capital by means of purchasing the Bank's shares in order for their redemption;

3.2.15.2. on results of presentation of shareholders' demands for redemption of the shares in their possession;

3.2.15.3. on results of redemption of shares purchased by the Bank in accordance with the decision of the General Meeting of Shareholders of the Bank.

3.2.16. Defining criteria of selecting candidate members of the Board of Directors and the executive bodies of the Bank;

3.2.17. Creation of the Management Board of the Bank, defining the number of its members, electing its members upon presentation of the Chairman of the Management Board of the Bank and early termination of authority of the members of the Management Board of the Bank;

3.2.18. Signing by the Chairman of the Board of Directors of the Bank on behalf of the Bank the labor contract with the Chairman of the Management Board, the members of the Management Board, defining and approval of terms and conditions of contracts with them;

3.2.19. Taking decision on possibility of holding multiple positions by the Chairman of the Management Board and/or the members of the Management Board in executive bodies of other organizations;

3.2.20. Taking decisions on termination of authority of the Chairman of the Management Board and creation of temporary sole executive body of the Bank in the order stipulated by the current legislation of the Russian Federation, the Articles of Association of the Bank and internal documents of the Bank;

3.2.21. Creation of committees and commissions of the Board of Directors;

3.2.22. Approval of Regulations, rules and other internal documents stipulating the activity (creation, competence, scope of authority, etc.) of committees and commissions of the Board of Directors of the Bank;

3.2.23. Development of recommendations to the General Meeting of Shareholders on amounts of remunerations and compensations payment to the members of the Board of Directors and the members of the Audit Commission for their further approval by the General Meeting of Shareholders;

3.2.24. Defining the amount of payment for the Auditor's services;

3.2.25. Development of recommendations to the General Meeting of Shareholders on the amount of dividends on shares and the order of their payment and including this item to the agenda;

3.2.26. Utilization of the Bank's reserve fund, utilization of special purpose funds, as well as defining the order of utilization of resources from such funds, and approval of Regulations on the relevant funds;

3.2.27. Opening (closing) branches and opening (closing) representative offices, approval of regulations on branches and representative offices and amendments and addendums thereto, taking decisions on change of the status of a branch to an internal structural division;

3.2.28. Introduction of alterations and addendums into the Articles of Association of the Bank related to creation of branches, opening of representative offices, change of their residence and their liquidation, as well as change of the status of a branch to an internal structural division;

3.2.29. Approval of the Bank's registrar and terms and conditions of the contract therewith, as well as termination of the contract therewith;

3.2.30. Approval of transactions with related parties in cases and in the order stipulated by the current law of the Russian Federation, the Bank's Articles of Association and internal documents of the Bank;

3.2.31. Approval of large transactions related to acquisition and disposal of property with the value of 25 to 50 percent of the book value of the Bank's assets in the order stipulated by the current law of the Russian Federation, the Bank's Articles of Association and the internal documents of the Bank;

3.2.32. Approval of internal documents of the Bank except for the internal documents of the Bank that shall be approved by the General Meeting of Shareholders of the Bank, as well as other internal documents of the Bank subject to approval by the executive bodies of the Bank in accordance with the Articles of Association;

3.2.33. Setting up limits of authorities of the Management Board of the Bank for taking decisions on execution of bank transactions and other deals stipulated by the current law of the Russian Federation;

3.2.34. Taking decisions of writing bad loans, loan indebtedness and other similar indebtedness as well as the interest accrued thereon off the Bank's balance sheet at the expense of the created provisions for loan losses in the order stipulated by the regulations of the Bank of Russia;

3.2.35. Approval of the Bank's internal documents setting up the procedure and the order of writing bad loans, loan indebtedness and other similar indebtedness as well as the interest accrued thereon off the Bank's balance sheet at the expense of the created provisions for loan losses;

3.2.36. Approval of the Bank's internal documents setting up the procedure of making decisions on assigning the Bank's rights of demand to the third persons.;

3.2.37. Taking decisions on the issues of signing assignment agreements with third parties including the cases when the amount of the borrower's liabilities to the Bank on the granted loan equals or exceeds 1% of the Bank's equity as of the date of the recent report

before such a decision and including the cases when the borrower (debtor) is a shareholder or an affiliated person(s) of the Bank or of such shareholder.

3.2.38. Control of the Bank's activity including:

- 1) creation and running of efficient internal control;
- 2) review of the documents on organization of the internal control system prepared by the executive bodies of the Bank, the Internal Control and Audit Division of the Bank, the AML compliance officer and other divisions of the Bank, as well as the Auditor;
- 3) taking measures to provide for efficient execution by the executive bodies of the Bank of recommendations and comments of the Internal Control and Audit Division of the Bank, the Bank's Auditor and supervisory bodies;
- 4) carrying out revisions of compliance of the internal control with the nature, scale and conditions of the Bank's activity in case of their changes;
- 5) approval of the performance schedule of the Internal Control and Audit Division of the Bank, the Bank's inspector in professional activity in the securities market and the AML compliance officer;
- 6) endorsement of nomination of the head (chief executive) of the Internal Control and Audit Division of the Bank upon presentation by the Chairman of the Management Board of the Bank;

3.2.39. Recommendations in relation to voluntary or mandatory offer of the person who intends to acquire or has acquired more than 30, 50, 75 percent of the Bank's shares;

3.2.40. Creation of the risk management system and control of compliance with the order of managing the risk arising in the process of the Bank's activity;

3.1.41. Other issues stipulated by the current law of the Russian Federation, the Articles of Association of the Bank, the present Regulations and internal documents of the Bank.

3.2. The issues attributed to the competence of the Board of Directors of the Bank cannot be submitted for resolution by the executive bodies of the Bank.

3.3. The Board of Directors of the Bank develops procedure of assessment of activity of the members of the Board of Directors and summarizing performance results of the Board of Directors generally. The report of the Board of Directors of the Bank on the results of the Bank's development in the primary directions of its activity is included into the annual report of the Bank approved by the annual General Meeting of Shareholders of the Bank.

4. MEMBERS OF THE BOARD OF DIRECTORS

4.1. The Board of Directors of the Bank is elected by cumulative voting at the General Meeting of Shareholders in the number of 12 members for the period until the annual or extraordinary General Meeting of Shareholders with the agenda including the issue of election of new members of the Board of Directors of the Bank.

In cumulative voting each voting share of the Bank has the number of votes equal to the total number of members of the Board of Directors. The shareholder or his/her representative is entitled to cast votes of the shares in his/her possession fully for one candidate or distribute them among several candidate members of the Board of Directors.

The candidates who won the majority of votes are considered elected members of the Board of Directors.

The members of the Board of Directors can be reelected unrestricted number of times.

4.2. A member of the Board of Directors of the Bank is entitled at any time voluntarily to resign, with the written notification to the Board of Directors. Meanwhile the authority of the other members of the Board of Directors remain in force except for the case when the number of members of the Board of Directors becomes less than quorum. In this case the extraordinary General Meeting of Shareholders is called in order to elect new members of the Board of Directors. The remaining members of the Board of Directors are entitled to take decision only on calling of such extraordinary General Meeting of Shareholders.

4.3. If the annual General Meeting of Shareholders of the Bank was not held in the period stipulated by the current law of the Russian Federation and the Articles of Association of the Bank, the authority of the Board of Directors is terminated except for the authority to call and hold the annual General Meeting of Shareholders.

Upon decision of the General Meeting of Shareholders the authority of all members of the Board of Directors of the Bank can be terminated ahead of schedule.

4.4. Only an individual can be a member of the Board of Directors. A member of the Board of Directors need not be the Bank's shareholder.

4.5. The members of the Management Board of the Bank cannot constitute more than one fourth of the members of the Board of Directors. The person who performs duties of the Chairman of the Management Board of the Bank cannot simultaneously be the Chairman of the Board of Directors of the Bank.

4.6. The Board of Directors shall comprise not less than 3 independent directors, each complying with the following criteria, i.e.:

- who has not been an official or an employee of the Bank for the recent 3 years;
- who is not an official of another entity where any official of the Bank is a member of the Human Resources and Remuneration Committee of the Board of Directors;
- who is not an affiliated person to an official of the Bank;
- who is not an affiliated person to the Bank (except for the membership in the Board of Directors) and an affiliated person to its affiliated persons;
- who is not a party in liabilities with the Bank which terms presuppose that he/she may acquire property (receive funds) with the value of not less than 10 percent of its total annual income, except for remuneration for its participation in the activity of the Board of Directors of the Bank;
- who is not a major counterparty of the Bank (a counterparty with the total amount of transactions between him/her and the Bank throughout the year of 10 or more percent of the balance sheet value of the Bank's assets);
- who has not been a member of the Board of Directors of the Bank for more than 5 years;
- who does not represent the government.

4.7. The members of the Board of Directors shall comply with qualification and reputation requirements set by federal laws and regulations of the Bank of Russia adopted in accordance therewith.

4.8. The following persons are not eligible for membership in the Board of Directors of the Bank:

- persons who performed duties of the sole executive body or were members of a collective executive body of the management company for shareholding investment funds, unit investment funds and private pension funds, specialized depository of shareholding investment funds, unit investment funds and private pension funds, shareholding investment fund, professional participant of the securities market, credit institution, insurance company, private pension fund at the moment of cancellation (withdrawal) of license for the respective activities from such companies for breach of the license terms or at the moment of adopting the decision to apply insolvency procedures if such cancellation or completion of the insolvency procedures took place less than three years ago;
- persons who have criminal record for crimes in the area of economic activities or crimes against the state.

4.9. The first meeting of the new Board of Directors elected by the General Meeting of Shareholders is called by the Chairman of the Management Board of the Bank not later than 15 calendar days from the date of the minutes of the voting results.

4.10. The Chairman of the Board of Directors is elected by the members of the Board of Directors by open voting from among the members of the Board of Directors at the first meeting of the new Board of Directors.

The Board of Directors is entitled at any time to re-elect the Chairman of the Board of Directors by simple majority of votes of the total number of the members of the Board of Directors of the Bank.

4.11. The Chairman of the Board of Directors of the Bank:

- organizes the activity of the Board of Directors, provides for open discussion of issues resolved at the meetings, taking into account opinions of all the members of the Board of Directors in development of solutions, summarizes the discussion and formulates the decisions subject to adoption;
- calls meetings of the Board of Directors and presides them, approves the agenda;
- takes decisions on holding absentee voting, approves the form of the questionnaire;
- organizes recording minutes of the meeting and signs them;
- controls timeliness of presentation of information on the agenda of the next meeting to the members of the Board of Directors;
- presides the General Meeting of Shareholders of the Bank and signs the minutes of the General Meeting of Shareholders, as well as documents subject to approval by the General Meeting of Shareholders and the Board of Directors;
- organizes and controls activity of committees, commissions, workgroups (in case of their creation) of the Board of Directors, nomination of the members of the Board of Directors for membership in such committees and commissions, as well as

coordinates interaction of committees, commissions, workgroups of the Board of Directors with each other and other bodies and officials of the Bank;

- takes decision on calling or refusal to call extraordinary General Meetings of Shareholders at the request of a member of the Board of Directors, the Audit Commission, the Bank's Auditor, the Chairman of the Management Board or the Management Board of the Bank;
- performs other duties in accordance with the law of the Russian Federation, the Articles of Association of the Bank, this Regulation and internal documents of the Bank.

4.12. in case of temporary absence of the Chairman of the Board of Directors of the Bank, his/her duties are performed by a member of the Board of Directors elected by the members of the Board by simple majority of votes of the total number of the votes of the members of the Board of Directors of the Bank. The deputy Chairman of the Board of Directors is elected at the first meeting of the Board of Directors held in the temporary absence of the Chairman of the Board of Directors and only for the period of the temporary absence of the Chairman of the Board of Directors.

4.13. At the first meeting of the Board of Directors, upon presentation of the Chairman of the Board of Directors of the Bank, the Secretary of the Board of Directors of the Bank is elected from among the members of the Board of Directors.

4.14. The Secretary of the Board of Directors:

- studies and reports on the documents received by the Board of Directors to the Chairman of the Board of Directors and other members of the Board of Directors;
- prepares the agenda of the meeting of the Board of Directors and sends notifications about holding the meeting to the members of the Board of Directors;
- prepares drafts of decisions of the Board of Directors;
- prepares analytical, reference and other information necessary for review of issues by the Board of Directors;
- provides for organizational support of the meeting of the Board of Directors;
- provides for technical support of the activity of the Board of Directors at the meetings and in the period between the meetings;
- prepares and signs statements from the minutes of the meetings of the Board of Directors, as well as copies of the minutes of the General Meetings of Shareholders and statements therefrom. Such statements are endorsed by the Bank's official seal;
- provides for coordination and interaction of the Board of Directors with the executive bodies and internal divisions of the Bank;
- forwards letters and applications of individuals, organizations, institutions and enterprises addressed to the Board of Directors to the relevant bodies and divisions of the Bank;
- provides for efficient records management guarding trade and official secret;
- performs other duties stipulated by this Regulation and internal documents of the Bank.

In case of temporary absence of the Secretary of the Board of Directors, his/her duties are performed by a member of the Board of Directors of the Bank authorized by the decision of the Board of Directors of the Bank.

5. ELECTION OF THE BOARD OF DIRECTORS

5.1. The right to nominate candidate members of the Board of Directors belongs to shareholders of the Bank (their representatives) who jointly hold not less than 2 percent of the voting shares of the Bank as of the date of making the relevant suggestion.

5.2. The shareholders of the Bank who jointly possess not less than 2 percent of the voting shares of the Bank are entitled within the period stipulated by the Articles of Association of the Bank to make suggestion including that on candidate members of the Board of Directors which number shall not exceed the number of the members of the Board of Directors stipulated by the Articles of Association of the Bank.

5.3. Upon making a suggestion on nominating a candidate member of the Board of Directors of the Bank including the cases of self-nomination, there shall be stated the name of the candidate (if the candidate is the Bank's shareholder, then it needs to state the amount and category (type) of the Bank's shares in his/her possession) and the details of the personal identification document (series and/or number, date and place of issue, issuing body) of each nominated candidate, as well as names of the nominating shareholders, the amount and category (type) of the Bank's shares in their possession.

5.4. Suggestions on nominating candidate members of the Board of Directors shall be made in writing and addressed to the Chairman of the Board of Directors not later than 30 days after the end of the financial year.

5.5. Candidate members of the Board of Directors shall comply with qualification and business reputation requirements set by federal laws and regulations of the Bank of Russia adopted in accordance therewith.

5.6. Along with nominating candidate members of the Board of Directors, the initiator(s) presents to the Board of Directors the signed consent of the candidate to be nominated for election to the Board of Directors stating:

- full name of the candidate;
- details of personal identification document (document series and/or number, date and place of issue, the issuing body);
- residence,
- date of birth;
- data on education (educational institution, graduation date, acquired profession);
- occupied position (job title) as of the date of the consent to be nominated, positions occupied for the last five years including positions in management bodies of other legal entities;
- availability of professional certificates (number, series, validity, date of issue, the issuing body) to perform professional activities in the securities market;
- data on possession of shares of other legal entities;
- list of persons affiliated to the candidate;

5.7. The Board of Directors of the Bank shall consider the received suggestions and take the decision to include the candidates into the agenda of the annual General Meeting of Shareholders or to reject the candidates not later than 5 days after the deadline for receiving suggestions to the agenda of the General Meeting of Shareholders.

5.8. In case of absence of suggestions in the stipulated period, shortage of candidates, or mistakes, restrictions, prohibitions and other circumstances that prevent including the suggested candidates into the voting ballot for election the Board of Directors, the Board of Directors is entitled to include candidates into the voting ballot at its discretion.

5.9. The Board of Directors is not allowed to include candidates into the voting ballot for election to the Board of Directors if there are restrictions and prohibitions applied to such candidates in accordance with the current law of the Russian Federation.

6. RIGHTS AND DUTIES OF THE MEMBERS OF THE BOARD OF DIRECTORS

6.1. A member of the Board of Directors is entitled to:

- make a substantiated request to call an extraordinary meeting of the Board of Directors;
- express personal opinion on the items of the agenda of the Board of Directors;
- be present at the meetings of the Management Board of the Bank (with the right of deliberative vote);
- in the stipulated order, request documents and data necessary for work from the Management Board and officials of the Bank;
- in the stipulated order, request from officials of the Bank explanations on concerned issues related to the Bank's activity within the scope of authority of the Board of Directors;

6.2. A member of the Board of Directors shall:

- participate in the activity of the Board of Directors, express independent opinions, be loyal to the Bank and act honestly and reasonably to the benefit of the Bank;
- not assume liabilities and not take actions that may give rise to conflict between own interests of the member of the Board of Directors and the interests of the Bank and/or its lenders, depositors and customers;
- disclose information on possession of the Bank's securities, as well as purchase and/or sale of the Bank's securities; inform the Board of Directors of the Bank in writing about the intention to conclude such transactions; disclose information about earlier concluded transactions with such securities. The notification about concluded transactions with such securities shall be addressed to the Chairman of the Board of Directors of the Bank not later than 10 days after such transactions take place;
- in case of change of the earlier presented data set in item 5.6., notify the Bank in writing within 10 calendar days from the moment of such changes;
- thoroughly analyze the information specific to performance of his/her duties about the activity, financial condition of the Bank and its market position, as well as dominating trends in

the banking sector and changes of the current law of the Russian Federation applied to the Bank's activity;

- actively participate in discussing issues submitted for review by the Board of Directors, participate in taking decisions by the Board of Directors by means of voting for the items of the agenda thereof;

- analyze and study data specific to performance of his/her duties on the issues submitted for review by the Board of Directors, as well as opinions and recommendations of the Internal Control and Audit Division, and the Bank's Auditor;

- analyze information based on the revision results of the Bank (its branches) carried out by the authorized representatives of the Bank of Russia, as presented to the Board of Directors by the Chairman of the Management Board of the Bank;

- not to disclose and not to use to his/her own benefit or to the benefit of the third parties the information in his/her knowledge being banking, trade secret or confidential information on the Bank's activity, or insider information;

- present his/her written opinion on the issues in review in case of failure to participate in the meeting of the Board of Directors of the Bank;

- notify the Board of Directors in cases when the member of the Board of Directors, his/her spouse, parents, children, siblings and all affiliated persons are related to the transaction where the Bank intends to be a party, as well as in case of other conflict of interests of the said parties and the Bank in relation to the existing or supposed transaction. Meanwhile the member of the Board of Directors must inform the Board of Directors, the Audit Commission and the Bank's Auditor about:

- legal entities where he/she possesses individually or jointly with his/her affiliated person(s) 20 or more percent of the voting shares (interest);
- legal entities where he/she occupies a position in the management bodies thereof;
- current or supposed transactions which are known to him/her and where he/she can be deemed a related party.

The member of the Board of Directors who reported in the stipulated manner about the interest in the transaction or any other conflict of interests cannot participate in the voting to take the decision on conclusion of such a transaction.

6.3. The members of the Board of Directors are not allowed to use their authority for purposes contradicting to the Articles of Association of the Bank or causing damage to property and/or non-property interests of the Bank.

7. THE ORDER OF CONVOCAION AND HOLDING THE MEETINGS OF THE BOARD OF DIRECTORS

7.1. The meeting of the Board of Directors is called by the Chairman of the Board of Directors of the Bank at its own initiative, as well as upon request of a member of the Board of Directors, a member of the Audit Commission, the Bank's Auditor, the Chairman of the Management Board, or the Management Board of the Bank.

7.2. The order and terms of calling and holding the meetings of the Board of Directors, the order of taking decisions on the issues on the agenda are stipulated in this Regulations

and the Rules of holding the meetings of the Board of Directors of Bank Vozrozhdenie approved by the Board of Directors of the Bank.

7.3. At the first meeting of the new Board of Directors the activity schedule of the Board of Directors is developed and approved for the period until the next annual General Meeting of Shareholders. Meetings of the Board of Directors shall be held as necessary but not less than once per six weeks.

The meeting of the Board of Directors where the decision is taken on calling of the annual General Meeting of Shareholders shall be held not later than 45 days before the date of the General Meeting of Shareholders, in order to discuss issues and take decisions related to preparation and holding of the annual General Meeting of Shareholders based upon the performance results for the last financial year.

7.4. Quorum for the meeting of the Board of Directors is not less than half of the elected members of the Board of Directors of the Bank.

7.5. Each member of the Board of Directors of the Bank has one vote. In case of tie vote the vote of the Chairman of the Board of Directors is decisive. Transfer of the vote from one member of the Board of Directors to another member of the Board of Directors or a third party is not allowed.

In approval of terms and conditions of labor contracts with the Chairman of the Management Board and the members of the Management Board, the votes of the members of the Board of Directors who are the Chairman of the Management Board and the members of the Management Board are not taken into account.

7.6. Decisions at the meetings of the Board of Directors are taken by the majority of votes of the participating members of the Board of Directors.

In defining quorum and voting results, written opinion of a member of the Board of Directors absent at the meeting of the Board of Directors on the items of the agenda is taken into account.

7.7. Decisions of the Board of Directors may also be taken without holding a meeting (joint presence of the members of the Board of Directors to discuss items of the agenda and take decisions on the issues put to vote), i.e. by absentee voting (questionnaire).

In holding absentee voting (questionnaire) the Chairman of the Board of Directors formulates the issue put to vote and determines the deadline for voting.

Questioning of the members of the Board of Directors is carried out by gathering signatures on questionnaires which are the documented proof of the votes of the members of the Board of Directors. The questionnaires signed by the members of the Board of Directors in compliance with the deadline for absentee voting are send to the Bank (by fax. Email or other communication media stipulated by the Rules of holding the meetings of the Board of Directors of Bank Vozrozhdenie).

7.8. The decision of the Board of Directors shall be taken by its members unanimously in consideration of the following issues:

- increase of the authorized capital of the Bank;
- concluding a large transaction, its subject being property with the value of 25 to 50 percent of the balance sheet value of the Bank's assets as of the date of taking the decision on concluding such a transaction."

- on preparation of a suggestion to the General Meeting of Shareholders to reduce the authorized capital of the Bank to the value which is less than the value of its net assets if upon the results of the audit revision the value of net assets of the Bank appeared to be less than its authorized capital.

The decision on approval of a related transaction is taken by the majority of votes of independent members of the Board of Directors who have no interest in such a transaction.

The decision on suspension of the authority of the sole executive body, creation of a temporary sole executive body is taken by the majority of votes making three thirds of the votes of the members of the Board of Directors of the Bank where the votes of dismissed members of the Board of Directors of the Bank are not taken into account.

7.9. Apart from the board members, the initiators of the meetings are invited for participation.

Heads of independent internal divisions of the Bank and other persons can be invited for participation in the meeting of the Board of Directors to substantiate the discussed issues and give essential explanations.

The Board of Directors is entitled to invite third party advisors for participation in its activity.

7.10. A member of the Board of Directors who is absent at the meeting is entitled to present beforehand to the Chairman of the Board of Directors his/her written opinion on the issued discussed by the Board of Directors.

The opinion presented by a member of the Board of Directors is attached to the minutes of the meeting of the Board of Directors and is taken into account when voting.

7.11. In order to work out drafts of decisions and discuss suggestions and notes submitted for consideration, the Board of Directors creates workgroups from among its members, as well as representatives of other bodies and/or divisions of the Bank.

The persons leading such workgroups organize their activity and provide for presentation of the developed drafts of decisions in due time.

7.12. If necessary, any meeting of the Board of Directors can be postponed upon consent of the participating members of the Board of Directors.

7.13. Duties to control execution of the decisions taken by the Board of Directors are performed by the secretary of the Board of Directors or can be distributed among the members of the Board of Directors upon decision of the Board of Directors.

7.14. The members of the Board of Directors are not allowed to interfere with the issues of the current activity of the executive bodies (the Management Board and the Chairman of the Management Board) and divisions of the Bank if it is not within the authority of the Board of Directors or if the actions of the executive bodies and divisions of the Bank result from execution of decisions of the Board of Directors, comply with the Articles of Association of the Bank and the current law of the Russian Federation.

8. MINUTES OF THE MEETINGS OF THE BOARD OF DIRECTORS

8.1. The minutes shall be recorded at the meetings of the Board of Directors. Such minutes are considered as documentary proof of the decisions adopted.

The secretary of the Board of Directors is in charge of recording minutes.

8.2. The minutes of the meeting of the Board of Directors is issued not later than 3 days after the meeting. In some urgent cases the minutes can be issued and signed by the presiding person at the meeting of the Board of Directors and the secretary of the Board of Directors ahead of schedule.

8.3. The minutes of the meeting of the Board of Directors shall contain reference to:

- venue, date and time of the meeting;
- participating members of the Board of Directors and invitees;
- presence of quorum;
- presiding persons and secretary of the meeting;
- agenda of the meeting;
- names of speakers and rapporteurs on the issues of the agenda, short summary of the discussion;
- issues put to vote and voting results;
- decision taken.

8.4. The minutes of the meeting of the Board of Directors are signed by the presiding person of the meeting and the secretary of the Board of Directors who are responsible for correctness of the minutes. The documents approved by the Board of Directors are signed by the Chairman of the Board of Directors.

8.5. The following is attached to the minutes of the meeting of the Board of Directors:

- the documents approved at the meeting;
- written and personally signed special opinions of the members of the Board of Directors taken into account when voting;
- questionnaires (in case of absentee voting).

8.6. Original minutes are stored by the secretary of the Board of Directors.

Minutes of the meetings of the Board of Directors shall be available for review to the members of the Board of Directors, the members of the Management Board, and the shareholders of the Bank or their representatives.

Copies of the minutes are certified, and the statements from the minutes are signed by the secretary of the Board of Directors, or if the latter is temporary absent then by the authorized member of the Board of Directors.

Statements from the minutes of the meetings of the Board of Directors can be issued at any time upon request of the members of the Board of Directors, the members of the Management Board, head of the relevant interested internal divisions, heads of the Bank's branches.

8.7. In cases stipulated by the current law, upon written request of a shareholder, the Bank shall issue copies of the minutes of the meetings of the Board of Directors against payment.

The amount of payment is set by the Bank and cannot exceed the cost of making copies and payment for mail delivery services.

8.8. The decisions of the Board of Directors are binding upon the Chairman of the Management Board of the Bank, the members of the Management Board, and independent internal divisions and employees of the Bank.

9. LIABILITY OF THE MEMBERS OF THE BOARD OF DIRECTORS

9.1. The members of the Board of Directors are liable to the Bank for damage caused to the Bank through their culpable action (omission) unless other grounds of such liability are defined by the current law of the Russian Federation.

9.2. The members of the Board of Directors who voted against or abstained from voting for the decision which caused the Bank to incur damages, are not liable to the Bank for such damages.

9.3. In defining the grounds and scope of liability of the members of the Board of Directors, usual conditions of business intercourse and other relevant circumstances shall be taken into account.

9.4. If the liability is charged upon several members of the Board of Directors, their liability to the Bank is joint.

9.5. The Bank or the shareholder(s) possessing in total not less than 1 (one) percent of the placed ordinary shares of the Bank is entitled to bring action to the court against a member of the Board of Directors of the Bank to claim compensation of damages caused to the Bank.

9.6. The members of the Board of Directors of the Bank are liable for disclosure of information comprising banking, trade secret or confidential information about the Bank's activity in accordance with the current law of the Russian Federation.

10. COMMITTEES AND COMMISSIONS OF THE BOARD OF DIRECTORS

10.1. For certain directions of activity of the Bank, the Board of Directors can create temporary or permanent committees (commissions).

10.2. Committees and commissions of the Board of Directors can be created upon decisions of the Board of Directors for preliminary study of issues reviewed at the meetings of the Board of Directors or studied by the Board of Directors in the course of controlling the Bank's activity, and development of necessary recommendations.

10.3. Commissions of the Board of Directors can be created to study current issues of development and projects of the Bank. Commissions of the Board of Directors can comprise members of the Board of Directors, members of the Management Board, managers and employees of internal divisions of the Bank. The chairman of a commission of the Board of Directors is appointed by the decision of the Board of Directors.

10.4. The rules, scope and term of authority of committees (commissions) and other issues of activity of committees (commissions) of the Board of Directors can be stipulated by Regulations on acting committees (commissions) and/or individual decisions of the Board of Directors adopted by the Board of Directors.

11. KEEPING DOCUMENTS OF THE BOARD OF DIRECTORS

11.1. The minutes of the meetings of the Board of Directors of the Bank can be submitted for review upon written request to the members of the Board of Directors, the Chairman of the Management Board, the members of the Management Board, the members of the Audit Commission, the Bank's Auditor, official representatives of supervisory bodies, the Bank's shareholders in the order stipulated by the Regulation on information policy of Bank Vozrozhdenie, the Articles of Association of the Bank and current law of the Russian Federation.

11.2. Representatives of supervisory bodies and the Bank's shareholders are issued minutes of the meetings and other documents of the Board of Directors of the Bank against the notice of receipt upon written consent of the Chairman of the Board of Directors based on the relevant request.

11.3. The minutes of the meetings of the Board of Directors and documents approved at the meetings of the Board of Directors are issued by the Bank within 7 days from receipt by the Bank of the relevant request for review at the premises of the sole executive body of the Bank.

11.4. The documents drawn in the course of activity of the Board of Directors are archived for persistent storage.

Archiving and storage of the documents stated in this paragraph is carried out at the Bank's expense.

Archives of the Board of Directors of the Bank include:

- the minutes of the meetings of the Board of Directors,
- appendixes to the minutes of the meetings of the Board of Directors,
- other information data to the meetings of the Board of Directors,
- documents and data of commissions, committees and workgroups of the board of Directors (in case of their creation),
- documents and data required by the Board of Directors and its member in the order stipulated by the Rules approved by the decision of the Board of Directors,
- other documents and data.

Classification of documents and data of the Board of Directors is carried out by the secretary of the Board of Directors under the guidance of the Chairman of the Board of Directors.

The members of the Board of Directors have unrestricted access to the archived documents and data of the Board of Directors.

11.5. In cases not stipulated by this Regulation, access to the information on the issues discussed at the meetings of the Board of Directors can be allowed only with consent of the Chairman of the Board of Directors or his/her deputy.

12. FINAL PROVISIONS

12.1. This Regulation on the Board of Directors of Bank Vozrozhdenie is approved at the General Meeting of Shareholders of the Bank by simple majority of votes of the participating shareholders.

12.2. Introduction of alterations and addendums to this Regulation or approval of its new edition are made by the General Meeting of Shareholders in the order stipulated by the Articles of Association of the Bank and internal documents of the Bank.

12.3. If in the result of changes of the current laws of the Russian Federation, certain articles of this Regulation contradict them, the laws and regulations prevail until amendments to the Regulation are approved in the stipulated order.