

ALFA-BANK OPEN JOINT-STOCK COMPANY

**APPROVED
BY THE GENERAL MEETING OF
SHAREHOLDERS
(Minutes No. 01–2006 of February 27,
2006)**

**(The version approved by the General
Meeting of Shareholders, Minutes
No. 01–2008 of March 3, 2008, as
amended by the General Meeting of
Shareholders, Minutes No. 05–2009 of
September 2, 2009, Minutes No. 01-2010
of June 21, 2010)**

**REGULATIONS
OF THE BOARD OF DIRECTORS
OF
ALFA-BANK OPEN JOINT-STOCK COMPANY**

Moscow 2010

1. GENERAL

1.1. These Regulations have been drafted pursuant to Federal Law "On Joint-Stock Companies" No. 208-FZ of December 26, 1995 (hereafter the "Law") and the Charter of ALFA-BANK OPEN JOINT-STOCK COMPANY (hereafter the "Bank").

1.2. These Regulations determine the status and the procedure for the formation and competence of the Board of Directors of the Bank; the rights, obligations and liability of members of the Board of Directors; and the operating procedures of the Board of Directors.

1.3. The Board of Directors is a governing body of the Bank exercising the general management of the Bank's activity, save matters referred by the Law and the Charter of the Bank to the competence of the General Meeting of Shareholders of the Bank.

In its activity, the Board of Directors shall abide by the laws of the Russian Federation, the regulations of the Bank of Russia, the Charter of the Bank, the resolutions of the General Meeting of Shareholders, these Regulations and other internal documents of the Bank.

Resolutions of the General Meeting of Shareholders passed within its competence shall be binding on the Board of Directors.

1.4. The main tasks of the Board of Directors shall be:

- to determine the development strategy of the Bank and its priority activities;
- to ensure the exercise and protection of the rights of the shareholders and resolve corporate conflicts;
- to consider and approve business plans and reports on the implementation thereof;
- to approve the human resources (HR) management policy, the system of remunerations and other payments;
- to ensure effective control over the financial and economic activity of the Bank;
- to exercise control over the effective operation of the executive bodies;
- to organize risk management and the operation of internal control, including measures to counter the legalization (laundering) of ill-gotten proceeds and terrorist financing;
- to approve the internal documents of the Bank relating to matters within its competence.

1.5. The Board of Directors shall be accountable to the General Meeting of Shareholders and shall be responsible for ensuring the successful development of the Bank.

2. COMPETENCE OF THE BOARD OF DIRECTORS

2.1. The Board of Directors shall be entitled to pass resolutions on matters referred to its competence by the Law and the Charter of the Bank.

2.2. The Board of Directors shall be competent to:

- 2.2.1. determine the priority activities of the Bank;
- 2.2.2. call annual and extraordinary General Meetings of Shareholders pursuant to the established procedure;
- 2.2.3. approve the agenda of the General Meeting of Shareholders;
- 2.2.4. determine the record date for the list of shareholders entitled to participate in the General Meeting of Shareholders and deal with other matters pertaining to the preparation and conduct of the General Meeting of Shareholders, which are referred to the competence of the Board of Directors of the Bank by the Law;
- 2.2.5. resolve to issue bonds and other issue-grade securities of the Bank in cases provided for by the Law, except for bonds and other issue-grade securities convertible into shares;
- 2.2.6. determine the value of the property, the issue and redemption price of issue-grade securities in cases provided for by the Law;
- 2.2.7. acquire shares, bonds and other securities issued by the Bank in cases provided for by the Law;

2.2.8. elect the Chairman and members of the Executive Board of the Bank and remove them from office before the expiration of their term; elect the Chairman and members of the Audit Committee;

2.2.9. approve the results of the placement of additional shares;

2.2.10. recommend to the General Meeting of Shareholders the amount of compensation to be paid to members of the Audit Committee of the Bank and the fee to be paid to the external auditor of the Bank;

2.2.11. recommend to the General Meeting of Shareholders the amount of dividends to be paid on shares and the manner of their payment;

2.2.12. use the Reserve Fund and other funds of the Bank;

2.2.13. approve the internal documents of the Bank, except for those internal documents whose approval is referred by the Law to the competence of the General Meeting of Shareholders and by the Charter of the Bank to the competence of the executive bodies of the Bank;

2.2.14. establish branches and open representative offices of the Bank; introduce amendments to the Charter of the Bank in connection with the establishment of branches and opening of representative offices of the Bank and their liquidation;

2.2.15. approve major transactions in cases where approval of such transactions is referred by the Law to the competence of the Board of Directors;

2.2.16. approve interested-party transactions in cases where approval of such transactions is referred by the Law to the competence of the Board of Directors;

2.2.17. approve lending transactions in respect of related parties when the lending limits set for related parties are exceeded;

2.2.18. approve the Registrar of the Bank and the terms and conditions of the contract with the Registrar; terminate the contract with the Registrar;

2.2.19. approve the participation of the Bank in, and its withdrawal from, other organizations, except for the participation of the Bank in holding companies, financial-industrial groups, associations and other groups of commercial organizations;

2.2.20. resolve to write-off bad debts on loans and similar debts from the balance sheet of the Bank at the expense of the provisions for possible losses on loans and, if these provisions are not sufficient, write-off such debts as losses in the accounting year;

2.2.21. to resolve that uncollectible receivables, connected with the performance of obligations under credit transactions, be written off from the Bank's balance sheet by the use of available reserves.

2.2.22. form committees of the Board of Directors and approve their regulations;

2.2.23. deal with matters connected with internal control over the financial and economic activity of the Bank, for which purpose it shall:

establish internal control and ensure that it functions effectively;

regularly consider at its meetings the effectiveness of the internal control system and discuss with the executive bodies of the Bank matters connected with the organization of internal control and measures to increase its effectiveness;

consider the documents relating to the organization of the internal control system, which are prepared by the executive bodies of the Bank, by the Internal Control Service, by the officer (an executive, structural division) in charge of countering legalization (laundering) of ill-gotten proceeds and terrorist financing, by other structural divisions of the Bank, and by the auditing organization which conducts (conducted) audits;

take measures to ensure prompt compliance of the executive bodies of the Bank with the recommendations and criticism of the Internal Control Service, the auditing organization which conducts (conducted) audits and the supervisory bodies;

promptly assess the adequacy of the internal control system when the nature, scale and conditions of the Bank's activity change;

2.2.24. deal with other matters stipulated by the Law and the Charter of the Bank.

2.3. The matters falling within the competence of the Board of Directors of the Bank shall not be delegated to the executive bodies of the Bank.

2.4. Pursuant to the procedure set forth in Section 7 of these Regulations the Board of Directors of the Bank shall appoint one of its members President of the Bank.

The President of the Bank shall exercise the strategic management of the Bank's activity, except for in matters referred by the Charter of the Bank to the competence of the General Meeting of the Shareholders of the Bank, the Board of Directors of the Bank, the Executive Board and the Chairman of the Executive Board of the Bank.

3. COMPOSITION AND PERIOD OF POWERS OF THE BOARD OF DIRECTORS

3.1. Only natural persons may be members of the Board of Directors. Members of the Board of Directors need not necessarily be shareholders of the Bank.

3.2. Members of the Executive Board of the Bank shall not make up more than one-fourth of the members of the Board of Directors.

3.3. Members of the Board of Directors shall not be members of the Vote-Counting Committee or the Audit Committee of the Bank.

3.4. The Chairman of the Executive Board of the Bank shall not concurrently serve as the Chairman of the Board of Directors of the Bank.

3.5. The number of members of the Board of Directors of the Bank shall be decided by the General Meeting of Shareholders and shall not be less than five.

3.6. Members of the Board of Directors of the Bank shall be elected by the General Meeting of Shareholders for a term lasting up to the next annual General Meeting of Shareholders and may be re-elected any number of times. If the annual General Meeting of Shareholders is not held within the period established by the Charter and Clause 1 of Article 47 of the Law, the powers of the Board of Directors shall be terminated, except for the authority to prepare, call and conduct the annual General Meeting of Shareholders.

3.9. Any shareholder owning a total of no less than two (2) percent of the voting stock of the Bank shall have the right to nominate candidates for election to the Board of Directors, with the number of such candidates not exceeding the number of members of the Board of Directors.

3.10. In the absence of nominations of candidates for election to the Board of Directors or if the number of such candidates is insufficient to form the Board of Directors, the Board of Directors may, at its own discretion, nominate candidates for election to the Board of Directors at the General Meeting of Shareholders.

3.11. Candidates for election to the Board of Directors must enjoy shareholders' confidence; have an excellent professional and business reputation and the knowledge and expertise required for decision-making; be able to contribute to the work of the Board of Directors and work for the achievement of common goals; have the qualifications required by banking laws.

3.12. Members of the Board of Directors shall be elected by cumulative voting. In cumulative voting, the number of votes exercisable by each shareholder is multiplied by the number of candidates for election to the Board of Directors; a shareholder may cast all his or her votes for a single candidate or distribute them among two or more candidates. The candidates who receive the largest number of votes shall be deemed elected.

3.13. The powers of all members of the Board of Directors may be terminated by a resolution of the General Meeting of Shareholders before expiration of the term of such powers.

If the proposed agenda of the General Meeting of Shareholders includes the early termination of the powers of members of the Board of Directors, the Board of Directors (or, in cases provided by the Law, other bodies or persons) shall also include on the agenda of the General Meeting of Shareholders the election of members of the Board of Directors. The new Board of Directors shall be elected by the same General Meeting of Shareholders which passed the resolution on early termination of the powers of members of the Board of Directors.

4. CHAIRMAN OF THE BOARD OF DIRECTORS

4.1. The members of the Board of Directors shall elect from their number the Chairman of the Board of Directors by a majority vote of all members of the Board of Directors. The Board of Directors may resolve to elect, by a majority vote of all members of the Board of Directors, the First Deputy Chairman and Deputy Chairmen of the Board of Directors from among members of the Board of Directors.

4.2. The Board of Directors may, at any time, replace the Chairman of the Board of Directors, the First Deputy Chairman and Deputy Chairmen of the Board of Directors.

4.3. The Chairman of the Board of Directors shall direct the activity of the Board of Directors; organize its work; call and preside at meetings of the Board of Directors; determine the agenda and the structure of the planned meetings of the Board of Directors; sign the minutes of the meetings of the Board of Directors; preside at the General Meeting of Shareholders; sign the contract with the Chairman of the Executive Board on behalf of the Bank; perform other functions stipulated by the Law, the Charter of the Bank and these Regulations.

4.4. In the absence of the Chairman of the Board of Directors, his functions, except that of presiding at the General Meeting of Shareholders of the Bank, shall be performed by the First Deputy Chairman of the Board of Directors, or, in his absence, by one of the Deputy Chairmen of the Board of Directors appointed by the Board of Directors.

4.5. The Chairman of the Board of Directors may instruct the Chairman of the Executive Board of the Bank to engage experts in specific fields to assist the Board of Directors in forming an informed opinion on any matter within the scope of its tasks and competence, and also instruct the executive bodies of the Bank to prepare documents, opinions and other materials concerning matters to be considered at the meetings of the Board of Directors.

5. RIGHTS, OBLIGATIONS AND LIABILITY OF MEMBERS OF THE BOARD OF DIRECTORS

5.1. In performing their duties, members of the Board of Directors shall abide by the laws of the Russian Federation, the regulations of the Bank of Russia, the Charter of the Bank, the resolutions of the General Meeting of Shareholders, these Regulations and other internal regulations of the Bank.

5.2. Members of the Board of Directors shall perform their duties reasonably and conscientiously, in the interests of the shareholders and of the Bank as a whole. They shall actively participate in the meetings of the Board of Directors; refrain from acts and actions which will or may potentially result in a conflict of interest; honestly and fully disclose information about their interests in transactions concluded by the Bank.

5.3. Members of the Board of Directors shall have the right to receive from the executive bodies of the Bank, its divisions and services, branches, subsidiary companies and representative offices, officers of the Bank, the Vote-Counting Commission and the Audit Commission (internal auditor) any documents required for the performance of the functions and exercise of the powers of the Board of Directors; examine normative, accounting, reporting, financial and other documents and materials, including full texts of auditor's reports and resolutions of the Executive Board; request any other information relating to the activity of the Bank.

The Chairman of the Executive Board of the Bank, other officers, bodies and divisions shall furnish the requested documents and information within 5 calendar days of receipt of the request.

5.4. Members of the Board of Directors may propose items for the agenda of meetings of the Board of Directors; discuss matters relating to the activity of the Bank at meetings of the Board of Directors; make proposals and vote on draft resolutions of the Board of Directors under consideration.

5.5. By a resolution of the General Meeting of Shareholders, members of the Board of Directors may, during their term of office, be paid remuneration and/or reimbursed for expenses

incurred in the performance of the functions of members of the Board of Directors in the amount established by the General Meeting of Shareholders.

5.6. Members of the Board of Directors shall have other rights in accordance with these Regulations, the Charter of the Bank and the laws of the Russian Federation.

5.7. Members of the Board of Directors shall be obliged to participate in the meetings of the Board of Directors in person. Should it be impossible for a member of the Board of Directors to attend a meeting of the Board of Directors in person, the member of the Board of Directors shall notify the Board of Directors to this effect, indicating the reasons for his or her absence. Said member of the Board of Directors may present in writing his or her opinion on the items on the agenda of the meeting of the Board of Directors in accordance with these Regulations.

5.8. Members of the Board of Directors shall be obliged to properly implement the resolutions passed by the General Meeting of Shareholders and the Board of Directors and carry out the assignments of the Board of Directors.

5.9. Members of the Board of Directors shall not divulge and/or use for personal gain any confidential information on the activity of the Bank that has come to their knowledge; inside information and information constituting trade secrets of the Bank as defined by the internal documents of the Bank; and the Bank's secrets.

5.10. Members of the Board of Directors shall promptly inform the Board of Directors, the Audit Committee and the external auditor of the Bank of:

legal entities in which they own, independently or jointly with their affiliate (affiliates), 20 percent or more of the voting stock (stakes, membership interests);

legal entities in whose governing bodies they hold office;

current or prospective transactions known to them, in which they may be recognized as interested parties.

The interests of a member of the Board of Directors shall be determined in accordance with Article 81 of the Law.

5.11. Under Clause 2 of Article 71 of the Law, members of the Board of Directors shall be held liable to the Bank, pursuant to the procedure established by the laws of the Russian Federation and Charter of the Bank, for improper performance of their duties and for losses sustained by the Bank because of their wrongful actions (omissions), if other grounds for such liability are not established by federal laws. They shall also be held liable to the Bank or its shareholders for losses caused by their wrongful actions (omissions) that violate the rules for the acquisition of shares set forth in Chapter X¹ of the Law.

In such cases, no liability shall be borne by the members of the Board of Directors who voted against the resolution which caused the Bank to sustain losses or who did not take part in the voting.

In determining the grounds for and the extent of liability of members of the Board of Directors, consideration shall be given to normal business customs and usages and other circumstances relevant to the case. Should several persons be held liable pursuant to Article 71 of the Law, their liability to the Bank shall be joint and several.

6. CALLING OF MEETINGS OF THE BOARD OF DIRECTORS

6.1. Meetings of the Board of Directors of the Bank shall be called by the Chairman of the Board of Directors on his or her own initiative or upon the request of any member of the Board of Directors, the Executive Board, the Chairman of the Executive Board, the Audit Committee, or the external auditor of the Bank.

In the absence of the Chairman of the Board of Directors, the meeting of the Board of Directors shall be called by the member of the Board of Directors performing his or her duties in accordance with Paragraph 4.4. hereof.

6.2. The request for a meeting of the Board of Directors shall contain:

information about the person (body) requesting the meeting;

the items on the meeting agenda;

explanation of the reasons why these items have been proposed;
documents and materials required for the consideration of the items on the agenda;
signature of the person (head of the body) requesting the meeting.

6.3. The person requesting a meeting of the Board of Directors shall also have the right to propose the date of the meeting of the Board of Directors, its format (joint presence or voting in absentia) and a draft resolution on the relevant item of the agenda.

6.4. The Chairman of the Board of Directors shall refuse to call a meeting of the Board of Directors if the matter has been raised by a person who is not competent to do so or if the matter does not fall within the competence of the Board of Directors, and also if the request to call a meeting of the Board of Directors does not contain the information stipulated in Paragraph 6.2. hereof.

6.5. Pursuant to the Law, the Chairman of the Board of Directors shall call a meeting of the Board of Directors:

to consider the items proposed by shareholders for inclusion on the agenda of the annual General Meeting of Shareholders and candidates proposed for the governing and review bodies;

to call the annual General Meeting of Shareholders and deal with other matters relating to the calling and holding of such meeting as provided by the Law, the Charter of the Bank and the Regulations of the General Meeting of Shareholders of the Bank;

to call an extraordinary General Meeting of Shareholders of the Bank to elect a new Board of Directors competent to pass resolutions when the number of members of the Board of Directors does not ensure a quorum for the passage of resolutions.

6.6. All documents and materials relating to the items on the agenda of the meetings of the Board of Directors shall constitute confidential information, which shall not be divulged, disclosed to third parties or disseminated in any way.

7. QUORUM AT MEETINGS. PASSAGE OF RESOLUTIONS

7.1. A quorum at meetings of the Board of Directors of the Bank shall constitute half the number of elected members of the Board of Directors. When the number of members of the Board of Directors falls below the number required to form the aforementioned quorum, the Board of Directors shall call an extraordinary General Meeting of Shareholders to elect a new Board of Directors. The remaining members of the Board of Directors may only resolve to call such an extraordinary General Meeting of Shareholders.

7.2. When deciding whether there is a quorum and when passing resolutions on items on the agenda, the meeting of the Board of Directors shall take into account the written opinions of the members of the Board of Directors absent from the meeting, if such written opinions unambiguously evidence the stance taken by the member of the Board of Directors with regard to the matter under consideration ("for," "against," "abstained").

The opinion of a member of the Board of Directors who is absent from the meeting shall be expressed in accordance with the Annex to these Regulations and delivered by post, courier or e-mail so that it is received by the Board of Directors before the commencement of voting on the items on the agenda. When the Board of Directors passes a resolution taking into account a written opinion, this written opinion shall be attached to the minutes of the meeting. The written opinion shall be made known to the members of the Board of Directors present at the meeting by the meeting chairman before commencement of the discussion of the relevant items on the agenda. If a member of the Board of Directors is present at the meeting of the Board of Directors, his written opinion received before the meeting shall not be announced at the meeting and shall not be taken into account when the presence of a quorum and voting results are determined.

7.3. At meetings of the Board of Directors, resolutions shall be passed by a majority vote of the members present at the meeting, unless a larger number of votes is required under the laws of the Russian Federation and the Charter of the Bank, or by voting in absentia.

Each member of the Board of Directors shall have one vote. In the event that an equal number of votes are cast for and against an issue, the Chairman of the Board of Directors shall

have the tie-breaking vote. Members of the Board of Directors shall not transfer their votes to other persons, including other members of the Board of Directors.

A resolution to enter into a major transaction involving property whose value is equal to 25 to 50 percent of the book value of the Bank's assets as determined on the basis of the accounting data of the Bank as of the last accounting date shall be passed by the Board of Directors by unanimous vote, disregarding the votes of members who no longer serve on the Board of Directors.

Failing to reach unanimity on the question of concluding a major transaction, the Board of Directors may refer this question to the General Meeting of Shareholders.

7.4. Apart from members of the Board of Directors, meetings may be attended by invited persons.

7.5. The Board of Directors may pass resolutions by voting in absentia. The decision on whether voting can be done in absentia shall be taken by the Chairman of the Board of Directors.

7.6. To conduct voting in absentia, notices that such a vote will take place and ballots for voting shall be circulated to all members of the Board of Directors. The form of the ballot for voting in absentia shall be approved by the Chairman of the Board of Directors. The ballot for voting in absentia shall contain the following information: the full corporate name and location of the Bank; the deadline for submission of marked ballots; the address for submission of marked ballots; a description of each matter put to the vote and voting options: "for," "against," "abstained"; a reminder that the members of the Board of Directors must sign the ballot. Ballots shall be delivered to the members of the Board of Directors not later than 5 calendar days before the deadline for submission of ballots, together with the information required for the passage of resolutions.

7.7. Members of the Board of Directors shall be deemed to have taken part in the voting in absentia if their ballots are received by the Board of Directors before the expiry of the deadline for submission of marked ballots, which is indicated on the ballot.

7.8. A ballot may be declared invalid either fully or partially as regards separate items if more voting options than one are marked or if the ballot is not signed by the member of the Board of Directors taking part in the voting.

7.9. The results of the voting in absentia shall be recorded in a protocol as provided by Section 8 of these Regulations.

8. MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS

8.1. The proceedings at the meeting of the Board of Directors shall be recorded in the minutes of the meeting. The results of the voting in absentia shall be recorded in a protocol..

The minutes of the meeting shall be finalized by a person, authorized by the Board of Directors, not later than three (3) days after the date of the meeting.

8.2. The minutes of the meeting of the Board of Directors shall be signed by the Chairman of the Board of Directors (or the person who presided at the meeting in the absence of the Chairman of the Board of Directors), who shall be responsible for the accuracy of the minutes.

8.3. The minutes of the meeting shall indicate the place and time of the meeting; the form of the meeting; the persons present at the meeting; the agenda of the meeting; the matters put to the vote and voting results; the resolutions passed by the meeting. Upon the request of a member of the Board of Directors who voted against a resolution or abstained from voting on any item of the agenda of the meeting of the Board of Directors, his personal opinion shall be recorded in the minutes of the meeting of the Board of Directors.

8.4. If resolutions of the Board of Directors have been approved by voting in absentia, the minutes of the meeting (the protocol of voting in absentia) shall indicate the date of the minutes (protocol); the type of meeting (voting in absentia); the members of the Board of Directors who submitted marked ballots by the deadline indicated on the ballot; the agenda; the matters put to the vote and voting results; the passed resolutions.

The minutes of the meeting (the protocol of voting in absentia) shall be drawn up by a person authorized by the Chairman of the Board of Directors no later than 3 calendar days after the deadline for submission of marked ballots. The minutes shall be signed by the Chairman of the Board of Directors. The ballots signed by the members of the Board of Directors shall be attached to the minutes.

8.5. The Bank shall keep the minutes of the meetings of the Board of Directors at the office of its executive bodies, pursuant to the procedure and for the periods of time established by the laws of the Russian Federation.

8.6. The Bank shall provide access to the minutes of the meetings of the Board of Directors pursuant to the procedure established by the Law. The minutes of the meetings of the Board of Directors shall be accessible for examination by any shareholder of the Bank; any member of the Board of Directors; any member of the Audit Committee; the external auditor of the Bank; the Chairman and members of the Executive Board; official representatives of government bodies. By a decision of the Chairman of the Board of Directors, copies of the minutes of the meetings of the Board of Directors may also be provided to other persons upon request.

9. COMMITTEES OF THE BOARD OF DIRECTORS

9.1. An Audit Committee may be formed to assist the Board of Directors in exercising control over the financial and economic activity of the Bank.

*Annex
to REGULATIONS
OF THE BOARD OF DIRECTORS
OF OPEN JOINT-STOCK COMPANY
ALFA-BANK*

To: Chairman of the Board of Directors of Open Joint-Stock Company ALFA-BANK

From: Member of the Board of Directors of Open Joint-Stock Company ALFA-BANK

(full name)

I hereby notify you that I cannot attend the meeting of the Board of Directors of Open Joint-Stock Company ALFA-BANK to be held on ____/____/ 20__/ at ____:____ (hrs:min.) and express my opinion on the items included on the agenda of the meeting:

On the first item: for____, against _____, abstained _____.

On the second item: for____, against _____, abstained _____.

On the third item: for____, against _____, abstained _____.

On the fourth item: for____, against _____, abstained _____.¹

Please take my opinion into account when the presence of a quorum is determined and resolutions of the Board of Directors are voted upon.

_____, 20__

_____/_____
(name) (signature)

¹ Indicate the number of items included on the agenda of the meeting of the Board of Directors