

APPROVED  
By Extraordinary General Meeting of Shareholders  
ZENIT Bank (open joint stock company)  
August 06, 2007

Minutes No. 4  
dated August 10, 2007

Chairman of the Extraordinary General Meeting of Shareholders,  
Chairman of the Board of Directors of the Bank

\_\_\_\_\_ A.A. Sokolov

**REGULATION  
On the Management Board of  
Bank ZENIT  
(open joint stock company)**

**1. GENERAL PROVISIONS**

1.1. This Regulation on the Management Board of Bank ZENIT (open joint stock company) (hereinafter – the Regulation) was developed in accordance with the Civil Code of the RF, the federal law “On joint stock companies”, the current law, legal acts of the RF, the Charter of Bank ZENIT (open joint stock company) (hereinafter – the Bank). This Regulation determines the time and procedure for convening and conducting meetings of the Management Board of the Bank, procedure of taking decisions and rights and obligations of its members.

The Management Board of the Bank is a collegial executive body of the Bank providing management of the Bank's current activity.

The Management Board of the Bank consists of the chairman of the Management Board, his deputies and other members of the Management Board.

1.2. The Management Board acts on the basis of the Charter of the Bank and this Regulation.

1.3. Rights and obligations of members of the Management Board related to management of the Bank's current activity are determined by the current law, legal acts of the RF, the Charter, this Regulation and the agreement concluded between the Bank and each of them. On behalf of the Bank the agreement is signed by the chairman of the Board of Directors of the Bank or a person authorized by the Management Board of the Bank.

1.4. The Chairman of the Management Board organizes meetings of the Management Board.

1.5. The Management Board develops the financial and business policy of the Bank, performs executive and administrative functions, including coordination of work of the Bank's structural units, subsidiaries and representative offices, takes decisions on the most important issues of the Bank's activity.

**2. PROCEDURE OF FORMING THE MANAGEMENT BOARD**

2.1. The chairman of the Management Board of the Bank is elected by the General meeting of shareholders.

2.2. Members of the Management Board are elected by the Board of Directors of the Bank upon presentation by the Chairman of the Management Board of the Bank. The numerical composition of the Management Board is determined by the Board of Directors of the Bank.

2.3. The Board of Directors of the Bank is entitled to terminate the authority of any member of the Management Board at any time. Termination of the authority of a member of the Management Board does not result in dismissal from the position held in the Bank.

The following circumstances may be grounds for early termination of the authority of members of the Management Board:

- Infliction of material damages to the Bank by guilty actions/omission of a member of the Management Board;

- Damage to the business reputation of the Bank;

- Intentional criminal action;

- Performance of duties in bad faith;

- Disclosure of confidential information, commercial or banking secrets of the Bank;

- Breach of provisions of the Charter of the Bank and this Regulation;

- Other circumstances directly provided by federal laws.

2.4. Dismissal from the position held in the Bank causes termination of membership on the Management Board.

2.5. Persons having convictions for economic crimes or crimes against state power, as well as other persons not meeting qualification requirements established by federal laws and regulatory acts of the Bank of Russia passed in accordance with them may not become members of the Management Board of the Bank.

### **3. COMPETENCE OF THE MANAGEMENT BOARD**

3.1. The following matters refer to the competence of the Management Board:

- Organization and general management of the Bank's operating activity, organization of implementation of decisions taken by the General meeting of shareholders and the Board of Directors of the Bank;
- Presentation to the Board of Directors of the Bank of annual accounting reports, including profit and loss statements of the Bank and other reports;
  - Regular briefing of the Board of Directors of the Bank about the financial condition of the Bank, implementation of priority programs, transactions and decisions that may have a material effect on the financial condition of the Bank;
    - Presentation for the approval of the Board of Directors of the Bank of drafts of the Bank's internal documents, which pursuant to the current law and the Charter of the Bank are to be approved by the Board of Directors;
    - Organization of activity of the Bank's structural units, subsidiaries and representative offices;
    - Consideration and approval of regulations on the Bank's structural units, consideration and approval of regulations;
      - Organization of development and taking decisions on new types of services offered by the Bank within the scope of the Charter of the Bank and the law of the Russian Federation;
      - Regulation of interest rates applicable to the Bank's operations with assets and liabilities, approval of the structure of assets, liabilities, taking decisions on raising and placement of resources;
      - Development of general conditions and procedure for granting loans;
      - Development and presentation to the Board of Directors of the Bank of regulations on the Bank's funds, on generation and use of profits;
      - Taking decisions on allocating funds to sponsorship and charitable activity in accordance with the Bank's budget;
      - Provision of necessary information to the Audit Commission and the auditor of the Bank;
      - Review and approval of internal documents of the Bank related to the Bank's activity (regulations, procedures, rules, methods, etc.), including procedures of signing and documenting banking operations, correspondence and documents, except for internal documents, approval of which is referred by the Charter to the competence of the General meeting of shareholders and the Board of Directors of the Bank;
      - Taking decisions on issuance and offering (circulation) of deposit and savings certificate, as well as other securities not qualified as issued securities by the current law of the RF;
      - Organizational and technical support of the General meeting of shareholders and meetings of the Board of Directors and the Audit Commission of the Bank;
      - Analysis and summary of work of the Bank's separate structural units, subsidiaries and representative offices, as well as recommendations to the Chairman of the Management Board as to improvement of work of the aforementioned units;
      - Determination of the main directions of the Bank's personnel policy, approval of documents regulating the procedure of awarding bonuses to employees of the Bank;
      - Taking decisions on establishment and liquidation of collegial bodies of the Bank (commissions, committees), approval of documents regulating the procedure of their activity;
      - Taking decisions on creating, modifying and (or) terminating Bank Managed Mutual Funds (BMMF);
      - Taking decisions on opening (closing) internal structural units of the Bank;
      - Determination of the list of information constituting commercial secret of the Bank taking into account the current law;
      - Taking decisions on writing off bad debts, accounts receivable and other assets and claims, and/or establishment of the procedure of their write off;
    - Performance of the following functions in the field of internal control:
      - establishment of responsibility for implementation of decisions of the Board of Directors of the Bank, implementation of the Bank's strategy and policy in respect of organization and implementation of internal control;
      - delegation of responsibility for development of internal control rules and procedures to managers or respective structural units and control over their implementation;

- verification of correspondence of the Bank's activity to the internal documents determining the internal control procedure, and evaluation of correspondence of the contents of such documents to the nature and scope of the Bank's activity;
- distribution of responsibilities of units and employees responsible for concrete directions (forms, methods) of internal control ;
- review of materials and results of periodic valuations of internal control efficiency;
- development of efficient systems of information transfer and exchange ensuring availability of necessary information to interested users;
- development of systems of control over elimination of identified internal control breaches and drawbacks and measures taken for their elimination.

- Resolution of other issues.

3.2. Members of the Management Board of the Bank approve job descriptions of employees of structural units controlled by them.

#### **4. CHAIRMAN OF THE MANAGEMENT BOARD**

4.1. The Chairman of the Management Board is elected by the General meeting of shareholders of the Bank without limitation of the term. A person is deemed elected Chairman of the Management Board if a majority of shareholders owners of voting shares of the Bank participating in the General meeting voted for him.

4.2. The Chairman of the Management Board may be elected from among shareholders (shareholders' proxies), or any other person having the required professional qualities and managerial experience in large commercial (non commercial) organizations and meeting qualification requirements established by federal laws and regulatory acts of the Bank of Russia adopted pursuant to them may be elected Chairman of the Management Board.

4.3. The Chairman of the Management Board decides all issues of the Bank's current activity, except for issues referred to the competence of the General meeting of shareholders, the Board of Directors of the Bank or the Management Board of the Bank.

4.4. The Chairman of the Management Board acts on behalf of the Bank without power of attorney, including represents its interests, enters into transactions on behalf of the Bank, approves personnel, issues orders and gives instructions binding on all employees of the Bank, issues powers of attorney.

4.5. Rights and obligations of the Chairman of the Management Board related to management of the Bank's current activity are determined by the current law, legal acts of the RF, the Charter of the Bank, this Regulation and the Agreement. The Agreement with the Chairman of the Management Board is signed on behalf of the Bank by the Chairman of the Board of Directors of the Bank or a person authorized by the Board of Directors of the Bank.

4.6. The Chairman of the Management Board of the Bank:

- ensures implementation of decisions of the General meeting of shareholders and the Board of Directors of the Bank;
- disposes of the Bank's property within the scope established by the Charter of the Bank, the current law and this Regulation;
- determines the organizational structure of the Bank;
- Approves the structure, numbers and payment terms of the Bank's employees, as well as the staffing table;
- Presents for approval of the Board of Directors candidates to the Management Board of the Bank, appoints and dismisses deputies of the Chairman of the Management Board selected from among members of the Management Board;
- Takes decisions related to approval of candidates to relevant positions (including provision of the right to sign payment documents) to be approved by the territorial unit of the Bank of Russia supervising activity of the Bank/Branch;
- Distributes responsibilities among deputies of the Chairman of the Management Board and other members of the Management Board;
- hires and fires employees in accordance with the current law;
- awards and punishes employees in accordance with internal labor rules and other internal documents of the Bank;
- enters into any transactions on behalf of the Bank independently in accordance with the Charter, within the scope of his competence;
- organizes accounting and reporting;
- prepares necessary materials and proposals submitted to the Board of Directors of the Bank and the General meeting of shareholders for consideration;
- presides over meetings of the Management Board, organizes keeping of minutes at meetings of the Management Board of the Bank;

- establishes the procedure of working with information representing commercial secret of the Bank, as well as liability for breach of the procedure of working with such information;
- approves tariffs for banking operations and other transactions;
- approves reports on results of issuance (additional issuance) of issued securities;
- resolves other issues of the Bank's current activity.

4.7. During temporary absence of the Chairman of the Management Board his functions are performed by one of his deputies on the basis of a Bank order.

## **5. PROCEDURE OF CONVENING AND CONDUCTING MEETINGS OF THE MANAGEMENT BOARD OF THE BANK**

5.1. Meetings of the Management Board are convened by the Chairman of the Management Board or an acting Chairman. Meetings of the Management Board are held as needed, but not less than once a month.

5.2. The Chairman of the Management Board organizes meetings of the Management Board.

5.3. Matters for discussion at a meeting of the Management Board may be proposed by the Chairman of the Management Board, members of the Management Board, the Board of Directors of the Bank, the Chairman of the Board of Directors of the Bank, the Audit Commission, managers of structural unit of the Bank (subsidiaries and representative offices).

5.4. The Chairman of the Management Board should convene a meeting of the Management Board if at least one third of the members of the Management Board, the Board of Directors of the Bank or the Audit Commission demand it.

The Management Board of the Bank elects the Secretary of the Management Board of the Bank who acts as a secretary at each meeting of the Management Board.

Responsibilities of the Secretary of the Management Board include:

- Timely notification of members of the Management Board of the date, place, time and agenda of a meeting of the Management Board, as well as preparation and forwarding of information (materials) provided to members of the Management Board of the Bank before the meeting;
- Keeping and drawing up of minutes of meeting of the Management Board of the Bank;
- Counting results of voting on decisions taken;
- Organizational and technical support of meetings of the Management Board of the Bank;
- Accounting for and storage of all documents related to activity of the Management Board of the Bank (minutes, materials for meetings, copies (originals) of documents approved by the Management Board of the Bank, etc.).

During temporary absence of the Secretary of the Management Board his functions are performed by a Bank employee pursuant to decision of the Management Board of the Bank.

5.5. A meeting of the Management Board is valid (has a quorum), if at least two thirds of elected members of the Management Board participate in it. When deciding matters at a meeting of the Management Board each member of the Management Board has one vote. A member of the Management Board may not transfer his right of vote to another person, including another member of the Management Board.

5.6. All decisions are taken by the Management Board by a simple majority of the votes of members of the Management Board present at the meeting. In case of equality of the votes of members of the Management Board, the Chairman of the Management Board has a casting vote.

5.7. At each meeting of the Management Board minutes are kept. Minutes include information about:

- date, place and time of the meeting of the Management Board;
- agenda of the meeting;
- names of members of the Management Board present at the meeting, as well as list of invitees;
- main points of speeches of those present at the meeting;
- matters put to the vote and results of voting on them;
- decisions taken by the Management Board.

Minutes may also contain other necessary information.

5.8. Minutes of meeting of the Management Board are made available to members of the Board of Directors of the Bank, the Audit Commission of the Bank on demand.

5.9. Decisions of the Management Board are implemented through orders and instructions of the Chairman of the Management Board in accordance with the banking practice and business customs.

## **6. RIGHTS AND OBLIGATIONS OF MEMBERS OF THE MANAGEMENT BOARD**

6.1. Members of the Management Board have the right:

- during the time of performing their duties to receive remuneration and (or) compensation of expenses related to performance of their functions as members of the Management Board in cases and in the amount established by decision of the Board of Directors of the Bank;

- to represent interests of the Bank and to act on behalf of the Bank in judicial, financial, administrative and other bodies, to receive documents, submit applications, enter into agreements on behalf of the Bank, enter into other transactions, provided they have a relevant power of attorney;

- to receive any information related to activity of the Bank, the Bank's structural units, subsidiaries and representative offices.

6.2. Members of the Management Board also have other rights provided by the Charter of the Bank and the current law.

6.3. Members of the Management Board are obligated:

- to be loyal to the Bank, i.e. refrain from using their position inside the Bank in the interests of third persons, act in the interests of the Bank, exercise their rights and perform their duties in respect of the Bank reasonably and in good faith;

- not to disclose confidential information about the Bank's activity that became known to them, or information constituting commercial or banking secret of the Bank;

- to communicate to the Board of Directors of the Bank, the Audit Commission of the Bank or the auditor of the Bank information provided by the federal law "On joint stock companies";

- inform the Bank in a timely manner of any circumstances preventing them from performing duties of a member of the Management Board of the Bank provided by the current law and regulatory acts of the Bank of Russia;

- in a timely manner to provide the Bank with information forwarded to registration and licensing authorities;

- in a timely manner to disclose information about ownership of the Bank's securities and sale (or) purchase of the Bank's securities.

6.4. If a member of the Management Board (Chairman of the Management Board) is interested in a transaction, to which the Bank is or intends to become a party, and in case of other conflict of interest between such person and the Bank in respect of an existing or proposed transaction, he should inform the Management Board of the Bank represented by its Chairman or the Board of Directors of the Bank represented by its Chairman of his interest before a relevant decision is taken (a transaction is concluded).

6.5. The person performing the functions of the Chairman of the Management Board and members of the Management Board may hold positions in governance bodies of other organizations only upon consent of the Board of Directors of the Bank.

The Chairman of the Management Board, Deputy Chairmen of the Management Board and other members of the Management Board, the chief accountant of the Bank, the manager of a subsidiary of the Bank are not entitled to hold positions in other organizations that are credit or insurance organizations, professional participants of the securities market or organizations engaged in leasing activity or the Bank's affiliates.

## **7. LIABILITY OF MEMBERS OF THE MANAGEMENT BOARD**

7.1. Members of the Management Board are liable to the Bank for losses caused by their guilty actions (omission), unless otherwise provided by federal laws.

7.2. The Management Board of the Bank is liable for reliability of the information contained in the Bank's reports.