

APPROVED

by General Meeting of Shareholders
minutes № 8 dated on May 25, 2002

Chairman of the Meeting

FRANK S.O.

**Statute
of the Managing Board
of JSC «Aeroflot»**

Moscow, 2002.

Contents

1. General provisions	3.
2. Competence of the Managing Board	3.
3. Functions and purposes of the Managing Board	4.
4. Organization of the Managing Board performance	5.
5. Rights, duties and responsibility of the Managing Board	7.
6. Order of preparation and holding the Managing Board meetings	8.
7. Control over execution of Managing Board decisions.	9.

1. General provisions.

1.1. The Managing Board of Joint Stock Company "Aeroflot - Russian Airlines" (the Company) pursuant to the Company's Charter is a collective executive body.

1.2. The main purpose of the Managing Board is undertaking of the chartered aims of the Company, organizing management of current activities of the Company pursuant to its Charter and these Regulations;

1.3. In its activity the Managing Board is directed by Civil Code of the Russian Federation, Air Code of the Russian Federation, Federal law "On Joint Stock Companies" and other norms and legal acts of the Russian Federation, the Company's Charter, decisions of General Meetings of Shareholders and the Board of Directors of the Company, other norms and legal acts of the Company and these Regulations.

2. Competence of the Managing Board.

2.1. The Company's Managing Board runs current activity of the Company on the questions, related by the Charter to its competence, except questions, related to the competence of the General Meeting of Shareholders, the Company's Board of Directors and the Company's General Director.

2.2. The Managing Board is accountable to the General Meeting of Shareholders and the Board of Directors of the Company and it organizes fulfillment of their decisions.

2.3. The following questions are related to the Managing Board competence:

- 1) taking decisions on the questions of current activity of the Company;
- 2) working out recommendations to the General director of the Company on the questions of transactions to be concluded, provided for by subpoints 20) and 21) of point 19.2. of article 19 and subpoint 12) of point 21.5. of article 21 of the Charter;
- 3) taking decisions on receiving credits by the Company, if it is not related to the General Meeting of Shareholders or the Board of Directors competence;
- 4) working out and submitting to the Board of Directors annual forecasts of the Company's activity, annual reports, annual accounting reports, including profit and loss account and other reporting documents;
- 5) regularly informing the Company's Board of Directors about financial position of the Company, fulfillment of priority programs, transactions, decisions, which may influence the Company's activity considerably;
- 6) realizing organizational and technical provision of activity of the General Meeting of Shareholders, the Board of Directors, the Auditing Commission of the Company;
- 7) submitting the projects of calculation of costs for preparation and holding the Company's General Meeting of Shareholders to approval of the Board of Directors;

8) making analysis and summarizing the results of work of the Company's structural divisions and working out recommendations on improving the performance of both the Company's structural divisions and the Company in the whole;

9) approving internal documents of the Company (except documents, approved by the General Meeting of Shareholders or the Board of Directors of the Company);

10) making decisions (recommendations) on other questions of financial and production performance of the Company before submitting these questions to the Company's Board of Directors.

2.4. The Managing Board may set up specialized committees on permanent or temporary basis to consider questions, related to certain directions of the Company's activity.

Decisions of such committees may be considered as recommendations and may gain the status of the Company's norms and legal acts, being approved by the General Meeting of Shareholders.

3. Functions and purposes of the Managing Board.

3.1. Preparation and submission of proposals to the General Meeting of Shareholders and the Board of Directors of the Company, aimed at working out and realizing strategic objectives of production, financial and economic, commercial, personnel and social policy of the Company.

3.2. Working out and submitting to the Company's Board of Directors projects of general activity of the Company and reports on their fulfillment.

3.3. Preparation of the annual report, annual balance sheets, profit and loss account, proposals on distributing profit and loss and their submission to the Board of Directors.

3.4. Preparation of proposals about including amendments and additions in the Company's Charter and reorganization of the Company to be submitted to the Board of Directors and General Meeting of Shareholders.

3.5. Preparation of proposals on the candidature of the Company's auditor.

3.6. Working out and submitting to the Board of Directors proposals on split and consolidation of shares, concluding large-scale transactions, connected with acquiring and alienation of property by the Company, and participation of the Company in holding companies, financial and industrial groups, associations and other alliances of commercial organizations.

3.7. Preparation of proposals to the Company's Board of Directors on increase in the Company's authorized capital, placement of additional shares, amount, term and provisions of additional shares placement, placement of bonds and other issued securities of the Company in the order, provided for by the Charter and other norms and legal acts of the Company.

3.8. Preparation of proposals to the Company's Board of Directors on holding the next annual and extraordinary General Meeting of Shareholders of the Company and on organization of their preparation and holding in the order, provided for by the Company's Charter and Regulations on the order of holding the General Meeting of Shareholders of JSC "Aeroflot".

3.9. Working out and submitting to the Company's Board of Directors proposals on the amount of annual dividend per shares of the Company, form and order of its payment; using the reserve and other funds of the Company; founding subsidiaries and opening representatives of the Company in the Russian Federation and other countries.

3.10. Submitting to the Board of Directors approval internal documents of the Company, determining the order of the Company's managing bodies' performance.

3.11. Organizing fulfillment of decisions of the General Meetings of Shareholders and the Board of Directors of the Company, providing effective functioning of the Company, qualitative and timely realization of programs of its activity and development.

3.12. Working out and organizing fulfillment of programs and plans of current activity of the Company, included in the General Director's competence pursuant to the Company's Charter or decisions entrusted him by the General Meeting of Shareholders or the Board of Directors or passed by the General Director to the Company's Managing Board to be exercised, including organization of working out the programs on renewing aircraft fleet of the Company, preparation of proposals about transactions, related to purchase and leasing (rent) of aircrafts, giving in rent and joint utilization with other corporate persons of aircrafts, belonging to the Company, taking decisions on disposing the Company's property in order and limitations, set by the Company's Charter.

3.13. Organizing preparation and taking decisions on receiving credits by the Company, taking in account regulations of the Company's Charter.

3.14. Organization of working out and approval of principles of commercial and price policy of the Company and providing with their practical realization.

3.15. Forming social and personnel policy of the Company, organizing cooperation with trade unions, funds and other social organizations.

3.16. Organization of accounts and accounting reports in the Company, preparation of the annual reports pursuant to requirements of the Russian Federation legislation, the Company's Charter and taking accounts and accounting reports in accordance with the international standards.

3.17. Estimation and forecast of production, financial and economic, commercial activity of the Company, its efficiency and fulfillment of long-term programs and tasks, coming from decisions of the General Meeting of Shareholders and the Board of Directors of the Company. Working out on this basis measures to improve the performance of the Company and its divisions.

3.18. Organization of current analysis and determination of perspectives of the international and Russian air transportation markets, status and tendency of international air transport development, level, contents and volume of air services, given to passengers and other clients.

3.19. Current analysis of production, financial and economic, commercial and other activity of the Company, working out measures to improve it.

3.20. Organization and provision of efficient cooperation between the Company's divisions.

4. Organization of the Managing Board performance.

4.1. Numerical and personal composition of the Managing Board is approved by the Board of Directors at the General Director's proposal.

4.2. Early suspension of authority of any member of the Managing Board (except the General Director) and determination of remuneration and compensation payments to members of the Managing Board are related to the Company's Board of Directors competence.

4.3. General Director of the Company is a chairman of the Managing Board, running its activity. In his absence the Managing Board meetings are held by a person, deputizing General Director. Organizational and technical provision of the Managing Board performance is exercised by Administrative department and executive secretary of the Managing Board, appointed by General Director pursuant to staff schedule of the Company.

4.4. Rights and duties of members of the Managing Board are determined by contracts, concluded by the Company with every member of the Managing Board. A contract with a member of the Managing Board on behalf of the Company is signed by the Company's General Director. At the proposal of General Director the contract may be cancelled ahead of time by the decision of the Board of Directors, as it is provided for by Regulations on the Company's Board of Directors and the contract.

4.5. Relations between the Company and members of the Managing Board are regulated by the Russian Federation labor legislation in the part, not conflicting with regulations of Federal law "On Joint Stock Companies".

4.6. The Managing Board meetings are held as required, but at least once a month pursuant to annual plans of the Managing Board work, approved by the chairman of the Company's Managing Board. Extraordinary meetings of the Managing Board are held at the initiative of the Board of Directors, chairman of the Managing Board or the Auditing Commission of the Company. It is allowed as an exception and with aim to operative solving the problem, arisen before the Company, to hold a meeting of the Managing Board in absentia by questioning the members of the Managing Board.

4.7. Agenda of the Managing Board meeting is formed by the chairman of the Managing Board on the basis of recommendations (decisions) of the Board of Directors, proposals of members of the Board of Directors, the Auditing Commission and members of the Managing Board of the Company.

4.8. Notification about the date and agenda of the Managing Board meetings is forwarded to each member of the Managing Board by the executive secretary at least 5 days prior to the date of meeting.

Presence of members of the Managing Board at its meetings is obligatory. Passing the right to vote by a member of the Managing Board to another person, including another member of the Managing Board is not allowed. In the case of absence of a member of the Managing Board on a considerable reason (illness, business trip) he is entitled to submit to the Managing Board his opinion with proposals on the project of decision on the questions of agenda in written form.

Every member of the Managing Board with permission of the chairman of the Managing Board is entitled to invite a specialist or an expert (without voting right) at the Managing Board meeting, except cases of holding closed Managing Board meetings.

4.9. The Managing Board meeting is considered authorized if at least one half of elected members of the Managing Board are present.

4.10. Members of the Managing Board have equal rights on discussing questions, considered at the meeting. Every member of the Managing Board has one vote. Decisions of the Managing Board are taken by a majority voting of members of the Managing Board, present at the meeting, and formed by minutes. Minutes of the Managing Board meeting is signed by the chairman, who is responsible for the correctness of its keeping, and by the executive secretary of the Managing Board. If the votes are equal during taking decisions, the vote of the chairman is considered casting.

4.11. Decisions of the Managing Board are mandatory for all the members of the Managing Board and other employees of the Company. The most important decisions for the Company are formed by orders or decrees of the Company's General Director. Other decisions of the Managing Board are brought to notice of respective executives in the form of extracts from the minutes of the Managing Board meetings.

4.12. In the case of disagreement with the taken decision a member of the Managing Board is entitled to state in the written form his special opinion, which is necessarily attached to the minutes of the Managing Board meeting.

4.13. Minutes of the Managing Board meetings are submitted to the members of the Board of Directors, the Auditing Commission, the Managing Board and the auditor of the Company at their requests.

5. Rights, duties and responsibility of the Managing Board.

5.1. The Chairman of the Managing Board is official and authoritative representative of the Company's Managing Board in all the governmental, social and other instance. When he is absent the Chairman of the Managing Board passes his authority to a person, deputizing General Director.

5.2. A member of the Managing Board participates in the Managing Board meetings with the right to vote on all the questions related to the Managing Board competence. Other rights and duties of a member of the Managing Board are determined

by federal law "On Joint Stock Companies", other norms and legal acts of the Russian Federation, the Company's Charter and these Regulations. Members of the Managing Board are entitled to act on behalf of the Managing Board only having a special instruction of the Managing Board or its chairman, written in the minutes of the respective Managing Board meeting.

5.3. Authority to represent interests of the Company or a Managing Board by the member of the Managing Board is formed in the form of proxy, given by General Director.

5.4. Every member of the Managing Board has all the rights in full volume, provided for by these Regulations and a contract, concluded with the member of the Managing Board by General Director on behalf of the Company.

5.5. Members of the Managing Board on exercising their rights and duties shall act in the Company's interest, exercise their rights and perform their duties in respect of the Company conscientiously and sensibly.

5.6. Members of the Managing Board are responsible to the Company for losses, incurred to the Company by their guilty action (inaction) in the order, set by the Russian Federation legislation.

5.7. Members of the Managing Board are responsible to the Company in the amount of losses, incurred to the Company, arisen in the result of transaction, if they are persons interested in making transaction, determined in the order, provided for by the Company's Charter and they violated the requests, regulating the order of making transactions.

5.8. Conditions and payments to members of the Managing Board, including fringe benefits and social guaranties, are set pursuant to the filled position, norms and legal acts of the Russian Federation, regulating terms of payment, order of making and amount of fringe benefits and social guaranties to the Company's employees and by a staff schedule and put into the contract, concluded by the members of the Managing Board with the Company. Amount of remuneration and compensation to the members of the Managing Board is set by the Company's Board of Directors.

5.9. Members of the Managing Board are not entitled to have fringe benefits or privileges, if other is not provided for by the decisions of the General Meeting of Shareholders or the Board of Directors of the Company.

5.10. Holding of more than one appointment in managing bodies of other companies is allowed only with the Company's Board of Directors permission.

5.11. A member of the Managing Board during a period of validity of the contract, concluded with him, do not have the right to participate in the activity of companies, competitors of the Company, without a special permission of the Company's Board of Directors.

5.12. In the case when a member of the Managing Board has a personal financial interest in the transaction, which part the Company intends to be, and in the case of other conflict of interests in respect to existing or intended transaction, he shall inform about

his interest the chairman of the Managing Board and the Board of Directors of the Company.

5.13. Actions on making transactions on behalf of the Company, in which a member of the Managing Board has a personal financial interest, are acknowledged lawful, if the transactions were concluded at the Company's Board of Directors decision and in the cases, provided for by the Russian Federation legislation, at the decision of the General Meeting of Shareholders, and if all the facts and conditions, concerning interest of a member of the Managing Board in making a transaction were known to the chairman of the Managing Board, Board of Directors or General Meeting of Shareholders of the Company at the moment of approving.

5.14. If the Board of Directors did not know all the facts and conditions, concerning interest of a member of the Managing Board in the transaction made by the Company or it was approved, violating the rules, imposed by the Russian Federation legislation, the Company's Charter and these Regulations, damage, incurred to the Company in the result of its realization, if it took place and it was proved by the auditor's report or other way, provided for by the Russian Federation legislation, may be exacted in legal form.

5.15. A transaction, in which there is an interest, is carried out pursuant to requirements and order, determined by Federal law "On Joint Stock Companies" and the Company's Charter.

Order of preparation and holding the Managing Board meetings.

6.1. Members of the Managing Board, responsible for preparation a certain question to be submitted by the Managing Board at its meeting, shall prepare informational (inquiry) materials. On the questions of the agenda of the Managing Board meeting, which decisions may have or have financial, organizational and technical, personnel, social or other considerable consequences, a member of the Managing Board submits a project of decision, technical and economic grounds and expert report, approved by respective Company's divisions.

Mentioned materials (grounds, reports) and a project of the Managing Board decision are submitted at least five days prior to the Managing Board meeting to the executive secretary of the Managing Board. Control over preparation of materials and project of decisions to be submitted at the Managing Board meetings is exercised by executive secretary of the Managing Board.

6.2. Materials, submitted to the chairman of the Managing Board, on his instruction may be passed to a relevant expertise, consideration of the Company's specialists and forwarded to revision if necessary. After reconsideration and approval of the chairman of the Managing Board, materials submitted to the Managing Board meeting along with agenda and project of decision are forwarded to members of the Managing Board by its executive secretary at least 5 days prior to the date of the Managing Board meeting.

6.3. The Managing Board meetings are held under direction of the chairman of the Managing Board. In the case of the temporary absence of the chairman of the Managing Board, meeting is held by a person, deputizing General Director.

6.4. In the case of holding the Managing Board meeting in absentia (by questioning), organization of the questioning, filling the questioning list and forming the minutes with obligatory indication of in absentia form of the meeting are entrusted the executive secretary of the Managing Board.

6.5. At the Managing Board meeting time-limit of speaking is set by the chairman: reports, as a rule, take 15 minutes, co-reports take 10 minutes, debating takes 5 minutes, inquiring takes 3 minutes.

6.6. Addition or amendment of earlier submitted projects of the Managing Board decisions, considering proposals and remarks, given at the meeting, are made by a member of the Managing Board, reporter at the Managing Board meeting, or/and other officials, proposed by the Managing Board or its chairman. The executive secretary of the Managing Board exercises control over revision of projects of the Managing Board decisions and submission to approval of the chairman of the Managing Board in set terms. If the terms are not agreed earlier, the revision of projects shall be completed in a term to 3 working days.

6.7. Minutes of Managing Board meetings are drawn up not later than 3 days after its holding, signed by the chairman of the Managing Board, they are given current numbers, that are counted separately from the beginning of each calendar year.

6.8. Signed minutes of the Managing Board meetings are stamped by the Company.

6.9. Originals of the minutes of the Managing Board meetings and documents, proving their forwarding, are registered and kept in the Administration department of the Company.

6.10. Forwarding of the Managing Board decisions (extracts of the minutes of meetings) to the members of the Managing Board shall be made within 3 days after signing the minutes.

6.11. Minutes of the Managing Board meetings are of confidential nature. Acquaintance with them and preparation of extracts from them to persons, not mentioned in p.4.13. of these Regulations are made pursuant to acting legislation and order of the chairman of the Managing Board by the executive secretary if the Managing Board.

7. Control over execution of Managing Board decisions.

7.1. Control over execution of the Managing Board decisions is exercised by the chairman of the Managing Board or a member of the Managing Board empowered by him. Current (in terms) control over timely execution of the Managing Board decisions is exercised by the executive secretary of the Managing Board.

7.2. The Managing Board regularly acquaints at its meetings with information of the executive secretary of the Managing Board about course of execution of the Managing Board decisions, taken at previous meetings.