FINAL TERMS dated 8 December 2009

AK BARS BANK
Issue of U.S.$74,141,000 10.25 per cent. Loan Participation Notes
Due 2012 to be consolidated and form a single series with the
U.S.$205,859,000 10.25 per cent. Loan Participation Notes due 2012
by **AK BARS Luxembourg S.A. (the "Issuer")**
for the purpose of financing a loan to AK BARS Bank

under a U.S.$1,500,000,000 Programme for the Issuance of Loan Participation Notes

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 16 November 2009 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer, AK BARS Bank and the offer of the Notes described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at AK BARS Luxembourg S.A., 2 boulevard Konrad Adenauer, L-1115 Luxembourg, at the principal office of the Trustee being, at the date hereof, at Winchester House, 1 Great Winchester Street, London EC1N 2DB, United Kingdom and at the specified office of the Principal Paying Agent during normal business hours.

1.	Issuer		AK BARS Luxembourg S.A.
2.	Borrower:		AK BARS Bank
3.	(i)	Series Number:	3
	(ii)	Tranche Number:	2
	(if fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).		
4.	Specified Currency or Currencies:		United States Dollars ("**U.S.$**")
5.	Aggregate Nominal Amount of Notes admitted to trading:		
	(i)	Series:	U.S.$280,000,000
	(ii)	Tranche:	U.S.$74,141,000
6.	Issue Price:		100% of the aggregate Nominal Amount plus an amount in respect of 6 days accrued interest of U.S.$126,657.54 in respect of the period from, and including, 3 December 2009 to, but excluding, 9 December 2009
7.	(i)	Specified Denominations:	U.S.$100,000 plus integral multiples of U.S.$1,000 thereafter
	(ii)	Calculation Amount:	U.S.$1,000
8.	(i)	Issue Date:	9 December 2009
	(ii)	Interest Commencement Date:	3 December 2009

9.	Maturity Date:		3 December 2012
10.	Interest Basis:		10.25 per cent. Fixed Rate (further particulars specified below)
11.	Redemption/Payment Basis:		Redemption at par
12.	Change of Interest or Redemption/ Payment Basis:		Not Applicable
13.	Put/Call Options:		Change of Control Put (Condition 6.3 (*Redemption at the option of the Noteholders upon a Change of Control*))
14.	(i)	Status of the Notes:	Senior
	(ii)	Date Board approval by the Issuer for issuance of Notes obtained:	16 November 2009
	(iii)	Date Board approval by the Borrower for the borrowings under the Loan obtained:	12 November 2009
15.	Method of distribution:		Non-syndicated
16.	Financial Centres (Condition 7 (*Payments and Agents*)):		London and New York
17.	Loan:		Loan of U.S.$74,141,000 to be advanced by the Issuer to the Borrower pursuant to the Further Loan Supplement dated 8 December 2009, which together with the U.S.$205,859,000 advanced by the Issuer to the Borrower on 3 December 2009 will become a total loan of U.S.$280,000,000.

Provisions Relating To Interest Payable Under The Notes

18.	Fixed Rate Note Provisions:		Applicable
	(i)	Rate of Interest:	10.25 per cent. per annum payable semi-annually in arrear
	(ii)	Interest Payment Date(s):	3 June and 3 December in each year
	(iii)	Fixed Coupon Amount:	U.S.$51.25 per Calculation Amount
	(iv)	Broken Amount(s):	Not Applicable
	(v)	Day Count Fraction (Condition 5 (*Interest*)):	30/360
	(vi)	Determination Date(s) (Condition 5 (*Interest*)):	Not Applicable
	(vii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
19.	Floating Rate Note Provisions:		Not Applicable
20.	Step-Up Rate of Interest Provisions:		Not Applicable

21.	Dual Currency Note Provisions	Not Applicable

Provisions Relating To Redemption

22.	Final Redemption Amount of each Note:	U.S.$1,000 per Calculation Amount
23.	Early Redemption Amount(s) of each Note payable if the Loan should become repayable under the Loan Agreement prior to the Maturity Date:	Principal amount

General Provisions Applicable To The Notes

24.	Form of the Notes:	Registered Notes
25.	New Global Note:	No
26.	Other final terms:	Not Applicable

Distribution

27.	(i) If syndicated, names of Managers:	Not Applicable
	(ii) Stabilising Manager(s) (if any):	Credit Suisse Securities (Europe) Limited
28.	U.S. Selling Restrictions:	Reg. S Compliance Category
29.	If non-syndicated, name of Dealer:	Credit Suisse Securities (Europe) Limited
30.	Additional selling restrictions:	Not Applicable

General

31.	Additional steps that may only be taken following approval by an Extraordinary Resolution in accordance with Condition 10 (*Meetings of Noteholders; Modification of Notes, Trust Deed and Loan Agreement; Waiver; Substitution of the Issuer; Appointment/Removal of Trustee*):	Not Applicable
32.	The aggregate principal amount of Notes issued has been translated into U.S. dollars at the rate of [•] producing a sum of (for Notes not denominated in U.S. dollars):	Not Applicable
33.	Loan to value ratio:	100 per cent.

Listing and Admission to Trading Application

These Final Terms comprise the final terms required for issue and admission to trading on the Irish Stock Exchange of the Notes described herein pursuant to the U.S.$1,500,000,000 Programme for the Issuance of Loan Participation Notes of AK BARS Luxembourg S.A.

Responsibility

The Issuer and AK BARS Bank accept responsibility for the information contained in these Final Terms.

Signed on behalf of **AK BARS LUXEMBOURG S.A.**	**Signed on behalf of** **AK BARS BANK**
By: .... *Director*	By: .... *Duly authorised*
By: .... *Director*	By: .... *Duly authorised*

Signed on behalf of
AK BARS LUXEMBOURG S.A.

By: ....

Director

By: ....

Director

Signed on behalf of
AK BARS BANK

By: ....

Duly authorised
R. Minnegaliev
Chairman of the
Management Board

By: ....

Duly authorised
A. Bayazitov
Chief Accountant

FORM OF FINAL TERMS

PART B — OTHER INFORMATION

1. **Listing**

(i)	Listing:	Irish Stock Exchange.
(ii)	Admission to trading:	Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and to trading on its regulated market with effect from 9 December 2009.

2. **Ratings**

Ratings:	The Notes to be issued have been rated: Moody's: Ba3 Fitch: BB

3. **Interests Of Natural And Legal Persons Involved In The Issue**

Save as discussed in "*Subscription and Sale*", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

4. **Reasons for the Offer**

The Notes are being issued in the context of an exchange offer for the Issuer's U.S.$250,000,000 8.25 per cent. Loan Participation Notes due 2010 issued on 28 June 2007. The Notes are being issued for the sole purpose of financing a loan to the Borrower, which will replace a portion of the existing U.S.$250,000,000 loan to the Borrower made pursuant to the Facility Agreement dated 11 June 2007 and the Loan Supplement dated 26 June 2007.

5. **Fixed Rate Notes only – Yield**

Indication of yield:	10.25 per cent. As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. **Operational Information**

ISIN Code (Reg S Notes):	XS0470427476.
Common Code (Reg S Notes):	047042747.
Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking *société anonyme* and the relevant identification number(s):	Not Applicable
Delivery:	Delivery free of payment

FORM OF LOAN SUPPLEMENT

THIS LOAN SUPPLEMENT is made on 8 December 2009

BETWEEN:

(1) **AK BARS BANK**, a commercial bank organised as an open joint stock company under the laws of the Russian Federation the registered address of which is Dekabristov Street 1, Kazan 420006, Republic of Tatarstan, Russian Federation (the "**Borrower**"); and

(2) **AK BARS LUXEMBOURG S.A.**, a Luxembourg *société anonyme* the registered office of which is 2, boulevard Konrad Adenauer, L-1115 Luxembourg and being registered with the Luxembourg trade and companies register (*Registre de commerce et des sociétés, Luxembourg*) under number B127473 (the "**Lender**", which expression, where the context so admits, includes any successor Lender pursuant to the terms of this Agreement and the Trust Deed).

WHEREAS:

(A) The Borrower has entered into an amended and restated facility agreement dated 16 November 2009 (the "**Facility Agreement**") with the Lender in respect of the Borrower's U.S.$1,500,000,000 Programme for the issuance of Loan Participation Notes (the "**Programme**").

(B) The Lender has, at the request of the Borrower, made available to the Borrower a loan in the amount of U.S.$205,859,000 (the "**Original Loan**") on the terms and subject to the conditions of the Facility Agreement as supplemented by a loan supplement entered into between the Lender and the Borrower on 2 December 2009 (the "**Original Loan Supplement**").

(C) Pursuant to the terms of the Original Loan Supplement the Lender made the Original Loan to the Borrower and such advance remains outstanding.

(D) The Lender has, at the request of the Borrower agreed to increase such loan facility by an amount of U.S.$74,141,000 (the "**Further Loan**") on the terms and subject to the conditions of the Facility Agreement as supplemented by this Further Loan Supplement.

(E) This Further Loan Supplement is supplemental to the Facility Agreement and the Original Loan Supplement and each shall be read in conjunction such that the Original Loan and the Further Loan shall be considered as one facility in relation to the Notes (as defined below).

IT IS AGREED as follows:

1. DEFINITIONS

Capitalised terms used but not defined in this Further Loan Supplement shall have the meaning given to them in the Facility Agreement save to the extent supplemented or modified herein.

2. ADDITIONAL DEFINITIONS

For the purpose of this Further Loan Supplement, the following expressions used in the Facility Agreement shall have the following meanings:

"**Account**" means the account in the name of the Lender with the Principal Paying Agent (account number 0288078 0000 USD 002 CTA) or such other account as may from time to time be agreed between the Lender and the Trustee pursuant to the Trust Deed and notified to the Borrower in writing at least 5 Business Days in advance of such change;

"**Borrower Account**" means the account in the name of the Borrower (BENEFICIARY: AK BARS Bank; Address: 420066 Kazan, Russian Federation, Dekabristov Street, 1; S.W.I.F.T.: ARRSRU2K; Correspondent account of AK BARS Bank with Standard Chartered Bank: No 3582023423001; INTERMEDIARY BANK: Standard Chartered Bank, One Madison Avenue, New York, N.Y. 10010-3603; SWIFT.: SCBLUS33);

"**Closing Date**" means 9 December 2009;

"**Loan Agreement**" means the Facility Agreement as amended and supplemented by the Original Loan Supplement and further supplemented by this Further Loan Supplement;

"**Further Notes**" means the U.S.$74,141,000 10.25 per cent. Loan Participation Notes, due 3 December 2012, issued by the Lender as Tranche 2 of Series 3 under the Programme to be consolidated and form a single series with the Original Notes (together with the Original Notes, the "**Notes**");

"**Original Notes**" means U.S.$205,859,000 10.25 per cent. Loan Participation Notes due 2012 issued by the Lender as Tranche 1 of Series 3 under the Programme on 3 December 2009;

"**Repayment Date**" means 3 December 2012;

"**Specified Currency**" means U.S. dollars; and

"**Trust Deed**" means the Principal Trust Deed between the Lender and the Trustee dated 16 November 2009 as amended and supplemented by a Supplemental Trust Deed dated 3 December 2009 and as further supplemented by the Further Supplemental Trust Deed dated 8 December 2009 constituting and securing the Notes.

3. INCORPORATION BY REFERENCE

3.1 Except as otherwise provided, the terms of the Facility Agreement shall apply to this Further Loan Supplement as if they were set out herein and the Facility Agreement shall be read and construed, only in relation to the Further Loan constituted hereby, as one document with this Further Loan Supplement.

3.2 Except as otherwise provided in this Further Loan Supplement, and subject to the making of the Further Loan on the Closing Date as provided herein, with effect from the Closing Date references in the Loan Agreement to the "**Loan**" shall be construed as references to the Loan made pursuant to the Original Loan Supplement, as the same is increased by the making of the Further Loan pursuant to this Further Loan Supplement.

3.3 References in the Terms and Conditions of the Notes as set out in the Base Prospectus to the Loan Supplement shall be to the Original Loan Supplement as further supplemented by this Further Loan Supplement.

4. THE LOAN

4.1 Drawdown

Subject to the terms and conditions of the Loan Agreement, the Lender agrees to make available to the Borrower, and the Borrower agrees to make a single drawing in full of a further amount of U.S.$74,141,000 on the Closing Date so that the Loan is thereby increased to U.S.$280,000,000.

4.2 Interest

Interest will accrue on the Loan in accordance with the Facility Agreement as amended and supplemented by the Original Loan Supplement; provided however that, from the making of the Further Loan on the Closing Date until the Interest Payment Date falling on 3 June 2010 interest in relation to the Original Loan and the Further Loan shall be calculated separately and will be payable: (a) at a fixed amount of U.S.$51.25 per U.S.$1,000 in principal amount in respect of the Original Loan; and (b) U.S.$49.55 per U.S.$1,000 in principal amount in respect of the Further Loan. With effect from the Interest Payment Date falling on 3 June 2010 the Original Loan and the Further Loan shall be consolidated for all purposes, including the calculation of interest.

For the avoidance of doubt, with respect to the Further Loan, interest shall be calculated, and the following terms used in the Facility Agreement shall have the meanings, as set out below:

4.2.1 **Fixed Rate Loan Provisions:** Applicable

(i)	Interest Commencement Date:	9 December 2009
(ii)	Rate of Interest:	10.25 per cent. per annum payable semi-annually in arrear
(iii)	Interest Payment Dates:	3 June and 3 December in each year
(iv)	Calculation Amount:	U.S.$1,000
(v)	Fixed Amount:	U.S.$51.25 per Calculation Amount for each Interest Period except for the Interest Period commencing on the Interest Commencement Date and ending on the first Interest Payment Date.
(vi)	Broken Amount:	For the Interest Period from and including the Interest Commencement Date set out in paragraph (i) above to, but excluding, the first Interest Payment Date interest will be payable at U.S.$49.55 per U.S.$1,000 in principal amount.
(vii)	Day Count Fraction:	30/360

	(viii)	Determination Date(s):	Not Applicable
	(ix)	Other terms relating to the method of calculating interest for Fixed Rate Loans:	Not Applicable

4.2.2 **Floating Rate Loan Provisions:** Not Applicable

4.2.3 **Step-Up of Interest Provisions:** Not Applicable

4.2.4 **Dual Currency Provisions:** Not Applicable

5. FEES AND EXPENSES

Pursuant to Clause 3.2 (*Loan Arrangement Fee*) of the Facility Agreement and in consideration of the Lender making the Loan to the Borrower, the Borrower hereby agrees that it shall, one (1) Business Day before the Closing Date, pay to or to the order of the Lender, in Same-Day Funds, the total amount of U.S.$923,569.14, being the "**Arrangement Fee**" in respect of the Loan, representing the costs and expenses incurred by the Lender in connection with such Loan, increased by front-end fees, commissions and expenses, which shall include the amount of all of the commissions, fees, costs and expenses as set forth in the Fee Side Letter and Clauses 3.2 (*Loan Arrangement Fee*) and 14.1 (*Reimbursement of Front-end Expenses*) of the Facility Agreement pursuant to an invoice submitted by, or at the request of, the Lender to the Borrower in the total amount.

6. REASONS FOR THE LOAN

The Loan is being made in connection with the Lender's exchange offer for its outstanding U.S.$250,000,000 8.25 per cent. Loan Participation Notes due 2010 issued on 28 June 2007. The Loan will replace a portion of the existing U.S.$250,000,000 loan to the Borrower made pursuant to the Facility Agreement dated 11 June 2007 and the Loan Supplement dated 26 June 2007.

7. GOVERNING LAW

This Further Loan Supplement and all non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law and the courts of England have exclusive jurisdiction to settle any dispute arising from or connected with this Further Loan Supplement.

This Further Loan Supplement has been entered into on the date stated at the beginning.

AK BARS BANK

By: By:

AK BARS LUXEMBOURG S.A.

By: By:

Title: Director Title: Director