

EXPLANATORY NOTE No. 2

Issue No. 11 (Section 11.41)

"Approval of related party transactions"

(On Approval of Entering into Supplementary Agreement No. 6 to the Contract No. 242 of December 31, 2009 for Scheduled Repairs of Freight Railcars between OJSC TransContainer and JSCo "RZD" (Directorate for Freight Railcar Repairs))

For carrying out of its operational activities, on December 31, 2009, OJSC TransContainer and JSCo "RZD", represented by the Central Directorate for Repairs of Freight Rail Cars, a branch of JSCo "RZD", concluded a contract for scheduled repairs of freight rail cars No. 242 (hereinafter the Contract).

The Central Directorate for Repairs of Freight Rail Cars (a branch of JSCo "RZD") comprises 52 railcar repair depots located across the Russian Federation. As the platform rail cars owned by OJSC TransContainer cruise across the entire territory of the Russian Federation, to ensure prompt performance of scheduled repairs, to reduce the costs of forwarding of railcars to strictly designated railcar repair enterprises, there is a need to conclude this transaction.

So far, 5 supplementary agreements to the Contract were concluded. They envisage making amendments to Section 2. Contractual Price and Payment Procedure, Section 3. Duties of the Parties, Section 5. Work Transfer/Acceptance Procedure, Section 7. Liabilities of the Parties.

Due to change in the procedure for mutual relations between the parties, when any faulty joints and parts in freight rail cars are found, in the Contractor's guarantee obligations, in the procedure for consideration of claims, forms of performed work certificates, the schedule of supply of freight rail cars to repairs, as well as the extension of the effective period of the Contract till June 30, 2011, a draft Supplementary Agreement No. 6 to the Contract was drawn up.

Pursuant to Section 1, Article 81 of the Federal Law "On Joint-Stock Companies", this transaction is an interest party transaction (JSCo "RZD" is the shareholder with more than a 20% stake in the Company's share capital and is a party to the transaction).

According to Section 1, Article 83 of the Federal Law "On Joint-Stock Companies" a resolution as to approval of an interest party transaction should be made by the General Shareholders' Meeting and the Board of Directors of OJSC TransContainer.

The Contract and the supplementary agreements hereto have been earlier approved in accordance with Russian applicable law by the Board of Directors of OJSC TransContainer, on December 16, 2009, April 21, 2010, and July 21, 2010 (Minutes No. 11, 17 and 2, respectively).

In the course of performance of the contract, its price exceeded 2% on the book value of the Company's assets, according to the balance sheet data; therefore, the entire transaction (the contract and 5 supplementary agreements hereto) were approved at the extraordinary General Shareholders' Meeting on December 21, 2010 (Minutes No. 16).

As of January 25, 2011, the transaction price for the entire effective period of the Contract came to RUB 859.7 million, or 2.9% of the asset value of OJSC TransContainer, according to the balance sheet as of the most recent accounting date (the cost of assets of OJSC TransContainer as of December 31, 2010, is 30,811,198,000 rubles); consequently, Supplementary Agreement No. 6 should be approved by the General Shareholders' Meeting.

According to Section 7, Article 83 and Section 1, Article 77 of the Federal Law "On Joint-Stock Companies", for the Board of Directors of the Company and the General Meeting of Shareholders to make a decision as to approval of an interest party transaction, the transaction price is determined by the Company's Board of Directors.

Considering the above, we suggest:

to approve of entering into Supplementary Agreement No. 6 to the contract of December 31, 2009, No. 242, by and between JSCo "RZD" (Central Directorate for Freight Car Repairs) and OJSC TransContainer, which is an interest party transaction, upon the following conditions:

Parties to Supplementary Agreement: OJSC TransContainer is the Customer and JSCo "RZD" (the Central Directorate for Repairs of Freight Railcars) is the Contractor.

Subject of Supplementary Agreement:

1. To make the following amendments to the Contract:

1.1. Section 3.1.4 of the Contract shall read as follows:

“3.1.4. When joints and parts not subject to restoration are found in freight rail cars, to draft the certificate of rejection of joints and parts (Appendix 7) and to replace them with non-defective joints and parts, as per Section 3.1.1 hereof. If the Contractor lacks the necessary joints and parts, the missing joints and parts shall be provided by the Customer.

The Contractor’s depot shall be obliged, within one day, to notify the Customer of the need in provision of non-defective joints and parts, with sending to the Customer of the certificate of rejection of joints and parts by facsimile.

If joints and parts not subject to restoration and covered by guarantee liability of the manufacturing plant are found in freight rail cars, to draft the claim certificate in the Form BY-41M. The Contractor shall ensure preservation of rejected joints and parts for submission to the Customer.

The Contractor’s depot shall disjoint rejected parts and joints, upon the telegraph instructions of JSCo “RZD” of April 2, 2007, No. БГ-4348.

1.2. To add sub-section 3.1.10 to the Contract to read as follows:

“3.1.10. When the freight rail car is received in repairs, to specify technical features of the freight rail car in such manner as envisaged in the Instructions on Population of the Report Form BY-24M, as approved by Order of the JSCo “RZD” No. 3496p of October 29, 2004, and, upon the Customer’s request, draft and send to the Customer the Technical Passport for rail car BY-4M and the certificate of examination of technical status of the freight rail car”.

1.3. Section 6.1 of the Contract shall read as follows:

“6.1. The warranty period for performed work of depot repairs and overhauling of freight rail cars, in particular, upgrading freight rail cars with extension of the operation period, repairs of freight rail cars built after 1995, with increase in the distance run between overhauls up to 250,000 km, shall be established till the next scheduled repairs, but not late than the deadlines prescribed in the Regulations on the System of Maintenance and Repairs of Freight Cars Admitted for Circulation to Common Rail Tracks in International Communications (as approved by the Board on Rail Transport of the Commonwealth Member States of November 22—23, 2007, No. 47, with subsequent amendments and supplements), starting from the date of issue of the notice of acceptance of freight rail cars from repairs, Form BY-36M.

The warranty repairs shall not apply to:

- joints and parts of the freight rail car damaged during cargo handling
- joints and parts of the freight rail car, which failed due to natural operational wear and tear or due to the Customer’s violations of rules and standards of technical operation of rolling stock, and the rail car maintenance standards;

Failure of a car or its component is recognized as the warranty case on the basis of the investigation held with participation of the Contractor’s representative and issue of the certificate Form BY-41M, with necessary appendices. Certificate Form BY-41M, which confirms the Contractor’s fault, shall be accepted by the Contractor’s Depot recognized guilty based on the results of the investigation, if Certificate Form BY-41M contains the signature, and if there are no comments of the Chief (or Deputy Chief) of the Depot of the Contractor that took part in the investigation.

1.4. Section 6.4 of the Contract shall read as follows:

“6.4. Costs incurred by the Customer for performed elimination of defects caused by defective work during the warranty period shall be charged by the Customer on the Depot of the Contractor that carried out scheduled repairs, subject to compliance with conditions envisaged in Section 6.1 hereof”.

1.5. The Price List for repairs performed during scheduled repairs of freight rail cars, according to the “Guidelines on Depot Repairs of Freight Rail Cars, with 1,520 mm Track, ЦБ-

587” and “Guidelines on Capital Repairs of Freight Rail Cars, with 1,520 mm Track, ИБ-627”, in railcar repairs depots of the Central Directorate for Freight Rail Cars Repairs — a branch of JSCo “RZD”, as concerns lines: work No. 1511—1518, 1527—1534 (Appendix No. 3 to the Contract), in the version attached to this Supplementary Agreement (Appendix No. 3).

1.6. Appendix No. 1 to the Contract, Schedule of Supply of Freight Rail Cars in Repairs, shall be read in the version attached to this Supplementary Agreement (Appendix No. 1).

1.7. Appendix No. 9 to the Contract, Pro Forma Certificate of Performed Work/Provided Services, shall be read in the version attached to this Supplementary Agreement (Appendix No. 2).

1.8. Section 11.1. of the Contract shall be read as follows:

“11.1. This Contract shall take effect upon its signing by the Parties and shall be valid till June 30, 2011, as concerns settlements, until they have been finalized, and as concerns the guarantee, until the guarantee deadlines expired”.

Effective period of the Supplementary Agreement: the Supplementary Agreement shall inure upon its signing by the Parties. This Supplementary Agreement, except for Section 1.6 hereof, shall apply to relations between the Parties that arose before it took effect, since March 1, 2011.

Section 1.5 of this Supplementary Agreement shall apply to relations between the Parties that have arisen since April 1, 2011.

The effect of Section 1.7 of this Supplementary Agreement shall apply to relations between the Parties that have arisen since April 1, 2011.

General Director
OJSC TransContainer

P. V. Baskakov