

**APPROVED**

by the \_\_\_\_\_ (annual, extraordinary)  
General Meeting  
of Shareholders of PJSC TransContainer  
(Annex No. \_\_\_\_ to Minutes No. \_\_\_\_ dated  
\_\_\_\_\_ "\_\_\_\_", 2016)

Chairman  
of the \_\_\_\_\_ (annual, extraordinary) General  
Meeting of Shareholders of PJSC  
TransContainer

\_\_\_\_\_/I. S. Besedin

**CHARTER**  
of Public Joint-Stock Company  
"Centre For Cargo Container Traffic  
"TransContainer"

(restated)

Moscow  
2016

## 1 GENERAL PROVISIONS

1.1. Public Joint-Stock Company "Centre For Cargo Container Traffic «TransContainer» (hereinafter referred to as the "Company") is established in accordance with Company founders agreement No. 03/2006 dated February 9, 2006, the Civil Code of the Russian Federation, Federal Law "On Joint Stock Companies", other regulatory legal acts of the Russian Federation.

1.2. Full Company name in Russian: **Публичное акционерное общество «Центр по перевозке грузов в контейнерах «ТрансКонтейнер».**

1.3. Abbreviated Company Name in Russian: **ПАО «ТрансКонтейнер».**

1.4. Full Company name in English: **Public Joint Stock Company "Centre for Cargo Container Traffic "TransContainer".**

1.5. Abbreviated Company Name in English: **PJSC «TransContainer».**

1.6. Location of the Company: Moscow.

1.7. The Company is established for an indefinite duration.

## 2. LEGAL STATUS OF THE COMPANY

2.1 The legal status of the Company is defined by the Civil Code of the Russian Federation, Federal law "On Joint Stock Companies", other regulatory legal acts of the Russian Federation and by this Charter.

2.2 The Company is a legal entity subject to the legislation of the Russian Federation.

2.3 The Company shall own its separate property accounted for in its own balance sheet, shall be liable to its extent and may, on its own behalf, acquire and exercise property and non-property rights, carry out obligations, act as plaintiff and defendant in the court.

2.4 The Company shall be entitled to open bank accounts in the territory of the Russian Federation and abroad according to the established procedure.

2.5 The Company shall be liable under its obligations to the full extent of the property owned by it.

The Company shall not be liable for the obligations of its shareholders. The shareholders shall not be liable for the obligations of the Company, except for cases provided for by the legislation of the Russian Federation.

The shareholders shall be entitled to alienate the shares owned by them without the consent of other shareholders and the Company.

The shareholders shall bear the risk of loss related to the Company activity within the limits of the cost of shares owned by them.

2.6 The Company has a round seal bearing its full corporate name in Russian and a reference to its location.

The Company shall be entitled to have stamps and letterhead stationery, its own emblem and trade mark registered in due order as well as other means of visual identification.

2.7 The Company shall have civil rights and shall bear civil obligations required to carry out any and all types of activity not prohibited by the Federal Laws.

2.8. The Company shall be entitled to establish branches and open representative offices both in the territory of the Russian Federation and abroad.

2.9. The branches and representative offices of the Company shall not be legal entities, shall act on behalf of the Company based on the Regulations approved by the Company.

The branches and representative offices of the Company shall be vested with property accounted both on their separate balance sheets and on the Company balance sheet.

Heads of the branches and representative offices shall be appointed and dismissed by the General Director of the Company subject to approval by the Company's Board of Directors and shall act by virtue of the power of attorney issued by the Company.

The Company shall be responsible for the activities of its branches and representative offices.

Representative offices and branches shall be listed in the Unified State Register of Legal Entities.

2.12. The Company shall be entitled to have subsidiaries in the territory of the Russian Federation, established in compliance with the Federal Laws, and abroad – in compliance with the

laws of the foreign state at the location of the subsidiary unless otherwise provided by the international treaty of the Russian Federation.

### **3. OBJECTIVES AND ACTIVITY TYPES**

3.1. The main objective of the Company shall be making a profit and ensuring the long-term sustainability of the Company.

3.2. To make a profit the Company shall be entitled to perform any activity types not prohibited by the legislation of the Russian Federation, including:

- 1) organization of domestic and international cargo traffic;
- 2) freight forwarding services;
- 3) manufacturing of containers, repair of containers and wagons;
- 4) construction, reconstruction and modernization of basic assets;
- 5) intermediary, trade and procurement activities as well as supply activities related to the primary activity of the Company;
- 6) other types of activity not prohibited by the legislation of the Russian Federation.

In addition to the activities listed above the Company shall perform:

- 1) organization and implementation of measures for mobilization preparation and civil defence in accordance with the legislation of the Russian Federation;
- 2) ensuring state and trade secret protection;
- 3) organization and implementation of measures to ensure industrial safety and safe operation of rolling stock.

3.3. The Company shall be engaged in certain types of activity defined by the Federal Laws only based on a special permit (license), membership in a self-governing organization or certificate concerning the authorization to engage in a certain type of works, issued by a self-governing organization.

The right of the Company to undertake an activity requiring the receipt of a license, membership in a self-governing organization or certificate concerning the authorization to engage in a certain type of works, issued by a self-governing organization, shall arise as of the moment of receipt of such permit (license), or at the moment stipulated by it, or as of the moment of the Company joining a self-governing organization, or receiving a certificate concerning the authorization to engage in a certain type of works, issued by a self-governing organization, and shall be terminated in case of the termination of permit (license), membership in a self-governing organization or the certificate concerning the authorization to engage in a certain type of works, issued by a self-governing organization.

### **4 CHARTER CAPITAL OF THE COMPANY**

4.1. The charter capital of the Company shall be composed of the nominal value of the Company shares acquired by its shareholders (outstanding shares).

The charter capital of the Company shall make 13,894,778,000 (thirteen billion eight hundred and ninety-four million seven hundred and seventy-eight thousand) roubles.

4.2. The Company has placed ordinary registered uncertified shares of the same nominal value 1,000 (one thousand) roubles each in the amount of 13,894,778 (thirteen million eight hundred and ninety-four thousand seven hundred and seventy-eight) shares subject to the nominal value for the total amount of 13,894,778,000 (thirteen billion eight hundred and ninety-four million seven hundred and seventy-eight thousand) roubles.

4.3. The charter capital of the Company can be:

- 1) increased by means of increasing the nominal value of shares or placing additional shares;
- 2) decreased by means of decreasing the nominal value of shares or reducing their total amount, including by means of acquisition and paying-off a part of the placed Company shares subject to this Charter.

4.4. Increase of the charter capital of the Company shall be allowed only upon its full

payment.

4.5. The charter capital of the Company is decreased in the order provided for by the Federal Laws and this Charter.

The decrease of the charter capital of the Company shall not be allowed if as a result of this decrease the amount of the charter capital of the Company becomes less than the minimal amount of the charter capital defined subject to the Federal Law "On Joint Stock Companies", as of the date of the documents submission for state registration of the relevant amendments hereto, and in cases when the Company is obliged to decrease its charter capital subject to the Federal Law "On Joint Stock Companies", - as of the date of the Company state registration.

The Company shall be liable to decrease its charter capital in cases provided for by the Federal Law "On Joint Stock Companies."

4.6. The Company shall be entitled to place 3,473,694 (three million four hundred and seventy-three thousand six hundred and ninety-four) ordinary registered shares with the nominal value of 1,000 (one thousand roubles) each in addition to the placed shares, for the total nominal value of 3,473,694, 000 (three billion four hundred and seventy-three million six hundred and ninety-four thousand) roubles (authorized shares).

Ordinary registered shares authorized for placement by the Company shall grant their holders the rights provided for in Paragraph 6.2 hereof.

## **5. SHARES, BONDS AND OTHER SECURITIES OF THE COMPANY**

5.1. The Company shall place ordinary shares and shall be entitled to place one or several types of the preferred shares, bonds and other issuance securities in the order set forth by the Federal Laws.

5.2. Conversion of the ordinary shares into preferred ones, bonds and other securities shall not be allowed.

5.3. Placement by the Company of shares and other securities of the Company converted into shares shall be effected subject to the Federal Laws.

5.4. The Company shall be entitled to place additional shares and other issuance securities by means of subscription and conversion. In the event of increase of the charter capital of the Company on account of its property the Company shall carry out placement of additional shares by distributing them among its shareholders.

5.5. The Company's shareholders shall have the priority right to buy the outstanding additional shares and issuance securities converted into shares placed by means of open subscription in the amount proportional to the shares amount of the same category (type) owned by them.

5.6. Should it be impossible for a shareholder to acquire a round number of shares when executing the priority right to acquire additional shares as well as when consolidating the shares, parts of shares (fractional shares) shall be formed.

A fractional share shall provide the shareholder who owns it with the rights provided by the share of the relevant category (type) in the scope equal to the part of the whole share it constitutes.

The fractional shares shall circulate on equal terms with whole shares. In case one person acquires two and more fractional shares of the same category (type) these shares shall make one whole and (or) fractional share equal to the sum of those fractional shares.

5.7. Payment for the additional shares placed by means of subscription can be effected by means of money, securities, other things or property rights or other rights of monetary value.

Form of payment for additional shares shall be determined by the resolution on their placement. Payment for other issuance securities can be performed only by means of money.

## **6. RIGHTS OF THE COMPANY'S SHAREHOLDERS**

6.1. A person holding the Company shares on the grounds provided for by the legislation of the Russian Federation and this Charter shall be recognized as the Company's shareholder.

6.2. Each ordinary registered share of the Company shall provide the shareholder being its

owner with the equal scope of rights.

Shareholders of ordinary registered shares of the Company shall have the right:

1) to participate personally or through their representatives at the General meeting of shareholders of the Company with the right to vote on all issues in their competence;

2) to propose items for the agenda of the General meeting of shareholders of the Company in the order provided for by the legislation of the Russian Federation and this Charter;

3) to receive information on the Company's activity and familiarize themselves with the Company documents subject to Article 91 of the Federal Law "On Joint Stock Companies", other legal acts of the Russian Federation and this Charter;

4) to receive dividends announced by the Company;

5) the pre-emptive right to purchase the outstanding additional shares and issuance securities converted into shares by means of open subscription in the amount proportional to the amount of ordinary shares owned by them.

6) to receive part of the Company's property in case of its liquidation;

7) to appeal against resolutions of the Company's governing bodies giving rise to civil effects subject to provisions of the Civil Code of the Russian Federation and other laws;

8) to demand compensation of damages caused to the Company acting on its behalf;

9) to challenge, acting on behalf of the Company, transactions of the Company on the grounds provided for by Article 174 of the Civil Code of the Russian Federation or by other laws on corporations of appropriate legal form, and require the application of consequences of their invalidity, as well as the application of consequences of the invalidity of the Company's void contracts;

10) to exercise other rights provided for by laws and this Charter.

## **7. DIVIDENDS**

7.1. The Company shall be entitled to adopt resolutions (announce) on the dividends payment for the outstanding shares following the results of Q1, half year, nine months of the reporting year and (or) following the results of the reporting year. The resolution (announcement) on the dividends payment following the results of Q1, half year and nine months of the reporting year can be adopted within three months as of the end of the relevant period.

The Company shall be obliged to pay the dividends announced for the shares of each category (type) unless otherwise provided by the Federal Law "On Joint Stock Companies".

7.2. The Company shall not be entitled to pay the dividends announced for the shares:

1) if as of the payment day the Company meets the insolvency (bankruptcy) criteria subject to the legislation of the Russian Federation on insolvency (bankruptcy) or if the criteria specified arise in relation to the Company as the result of the dividends payment;

2) if as of the payment day the net assets value of the Company is less than the amount of its charter capital, reserve fund and surplus of the nominal value of the liquidation value of the outstanding preferred stock specified by the Company Charter, or becomes less than the amount specified as the result of the dividends payment;

3) in other cases provided for by the federal laws.

Upon termination of the circumstances specified in this paragraph the Company shall pay to its shareholders the dividends announced.

7.3. The resolution on the payment (announcement) of dividends shall be adopted by the General Meeting of shareholders. This resolution shall determine the size of dividends on shares of each category (type), the form of payment, the date of identifying the persons having the right to receive dividends. The resolution concerning the establishment of the date on which the persons having the right to receive dividends should be identified shall be adopted only following the proposal of the Company's Board of Directors.

The dividend amount cannot be more than the dividend amount recommended by the Company's Board of Directors.

7.4. The Company shall not be entitled to adopt resolutions (make announcements) on the dividends payment for the shares:

- 1) prior to full payment of the whole charter capital of the Company;
- 2) prior to repayment by the Company of all shares subject to repayment in compliance with Article 76 of the Federal Law "On Joint Stock Companies";
- 3) if as of the day of adopting such a resolution the Company meets the insolvency (bankruptcy) criteria subject to the laws of the Russian Federation on insolvency (bankruptcy) or if the Company comes to meet these criteria as the result of the dividends payment;
- 4) if as of the day of adopting such a resolution the net assets value of the Company is less than the amount of its charter capital, reserve fund and surplus of the nominal value of the liquidation value of the outstanding preferred stock specified by the Company Charter, or becomes less than their amount in the result of adopting such a resolution;
- 5) in other cases provided for by the federal laws.

7.5. The dividends shall be paid out of the Company's net profit.

7.6. The term for payment of dividends to a nominee shareholder and a security agent being the securities industry participant in case of their registration in the shareholder register shall be within 10 working days, and to other persons registered in the shareholder register within 25 working days as of the date on which the persons having the right to receive dividends are identified.

7.7. Dividend payment in monetary form shall be carried out by the Company by way of bank transfer, or on its behalf by the Registrar engaged in maintaining the register of the Company shareholders, or by a credit institution.

7.8. Dividend payment in monetary form to individuals whose rights to shares are accounted for in the register of the Company's shareholders shall be carried out by transferring the funds to their bank accounts with the details available to the Registrar of the Company, or in the absence of information on bank accounts by postal order, and to other persons whose rights to shares are accounted for in the register of the Company shareholders by transferring money to their bank accounts. The Company's liability to pay dividends to such individuals shall be considered fulfilled as of the date of receipt of funds to be transferred by the federal postal service organization or as of the date of receipt of funds by the credit institution holding the bank account of the person entitled to receive dividends or, if such person is a credit institution, to its account.

7.9. Persons entitled to receive dividends and whose rights to shares are accounted by the nominee holder of shares shall receive dividends in monetary form in accordance with the legislation of the Russian Federation on securities. The nominee holder to which the dividends have been transferred to and which has not fulfilled the obligation to transfer them established by the legislation of the Russian Federation on securities for reasons beyond its control shall be obliged to return them to the Company within 10 days after the expiration of one month from the final date of dividends payment.

## **8. COMPANY FUNDS**

8.1. The Company shall found a Reserve Fund in the amount of 5 (five) per cent of the Company's charter capital.

The amount of obligatory annual deductions to the Reserve Fund of the Company shall be equal to 5 (five) per cent of the Company's net profit until the Reserve Fund reaches the established amount.

8.2. The Company's Reserve Fund shall be aimed at covering the Company's losses and the Company's bonds redemption and repayment of the Company's shares in case if there are no other means.

The Reserve Fund of the Company shall not be used for other purposes.

8.3. The Company shall be entitled to found other funds that ensure its business and financial performance as a business entity subject to the requirements of the federal laws.

## **9. COMPANY MANAGEMENT AND CONTROL BODIES**

9.1. The Company management bodies shall be:

- 1) General Meeting of Shareholders
- 2) Board of Directors;
- 3) Management Board;
- 4) General Director.

9.2. The Company's Audit Commission shall be the control body over business and financial activity of the Company.

## **10. GENERAL MEETING OF THE COMPANY'S SHAREHOLDERS**

10.1. The General meeting of shareholders shall be the supreme management body of the Company.

10.2. The competence of the General Meeting of the Company's Shareholders shall cover the following issues:

- 1) introducing amendments and supplements to the Company's Charter or approval of the restated Charter of the Company
- 2) reorganization of the Company;
- 3) liquidation of the Company, appointment of the liquidation commission and approval of the interim and final liquidation balances;
- 4) defining the amount, nominal value, category (type) of the announced shares and rights provided by such shares;
- 5) increase of the Company's charter capital by means of increasing the nominal value of shares or placing additional shares;
- 6) decrease of the Company's charter capital by means of decreasing the nominal value of shares, by means of acquiring a part of shares by the Company for the purposes of decreasing their total amount, and by means of repayment of shares acquired or repaid by the Company;
- 7) share split and consolidation;
- 8) adopting resolutions on the placement of the Company's bonds converted into shares and other issuance securities converted into shares;
- 9) election of members of the Company's Board of Directors and early termination of their powers;
- 10) election members of the Audit Commission and early termination of their powers;
- 11) Approval of the Company's Auditor;
- 12) adopting resolutions on the transfer of powers of the Company's General Director to the managing company (trust manager);
- 13) approval of the Company's annual report, annual accounting (financial) records;
- 14) distribution of profits (including payment (announcement) of dividends, except for the payment (announcement) of dividends based on the results of Q1, half year, nine months of the reporting year) and losses of the Company based on the results of the reporting year;
- 15) payment (announcement) of dividends following the results of Q1, half year, nine months of the reporting year;
- 16) determining the proceedings of General Meetings of the Company's Shareholders;
- 17) adopting resolutions on approval of transactions provided for by Article 83 of the Federal Law "On Joint Stock Companies";
- 18) adopting resolutions on approval of major transactions provided for by Article 79 of the Federal Law "On Joint Stock Companies";
- 19) acquisition of outstanding stock by the Company in cases provided for by the Federal law "On Joint Stock Companies";
- 20) adopting resolutions on participation in associations and other groupings of commercial entities;
- 21) approval of internal documents regulating the activities of the Company's bodies;
- 22) adopting resolutions on payment of remuneration to the members of the Audit Commission and (or) compensation for costs associated with the performance of their duties;

23) adopting resolutions on payment of remuneration to the members of the Board of Directors and (or) compensation for costs associated with the performance of their duties as members of the Company's Board of Directors;

24) adopting resolutions on filing an application for listing the Company's shares and(or) the Company's issuance securities converted into its shares;

25) adopting resolutions on filing an application for delisting the Company shares and(or) the Company issuance securities converted into its shares;

26) solving other issues provided for by the Federal Law "On Joint Stock Companies".

10.3. Issues attributed to the competence of the General Meeting of Shareholders cannot be passed for resolution to the Board of Directors, the Management Board or the General Director unless otherwise provided by the Federal Law "On Joint Stock Companies".

The General Meeting of Shareholders shall not be entitled to consider and adopt resolutions on the issues not attributed to its competence by the Civil Code of the Russian Federation and the Federal Law "On Joint Stock Companies".

10.4. The resolution adopted by the General Meeting of Shareholders on the issue put to the vote shall be adopted by the majority votes of the shareholders being holders of the Company's voting shares that take part at the General Meeting of Shareholders unless otherwise provided by the Federal Law "On Joint Stock Companies".

10.5. The resolutions of the General Meeting of Shareholders shall be adopted by the majority votes of three fourth of the shareholders being holders of the Company's voting shares that take part at the General Meeting of the Company's Shareholders on the following issues:

1) introducing amendments and supplements to the Company's Charter or approval of the restated Charter of the Company;

2) reorganization of the Company;

3) liquidation of the Company, appointment of the liquidation commission and approval of the interim and final liquidation balances;

4) defining the amount, nominal value, category (type) of the announced shares and rights provided by such shares;

5) acquisition of outstanding shares by the Company in cases provided for by the Federal law "On Joint Stock Companies";

6) placement of shares (issuance securities of the Company converted into shares) by means of private placement subject to the resolution of the General Meeting of Shareholders on increase of the Company's authorized capital by means of placement of additional shares (on placement of issuance securities of the Company converted into shares);

7) placement by means of open subscription of ordinary shares that make up over 25 (twenty five) per cent of the previously placed ordinary shares;

8) placement by means of open subscription of issuance securities converted into ordinary shares that make up over 25 (twenty five) per cent of the previously placed ordinary shares;

9) adopting resolutions on the approval of a major transaction the subject of which is the property with the cost of over 50 (fifty) per cent of the balance cost of the Company's assets;

10) adopting resolutions on decrease of the charter capital of the Company by means of decrease of the nominal value of the Company's shares;

11) adopting resolutions on filing an application for delisting the Company's shares and(or) the Company's issuance securities converted into its shares;

10.6. The resolution on the approval of an interested party's transaction subject to Article 81 of the Federal Law "On Joint Stock Companies" and on defining the price (monetary value) of the property in case the number of non-interested directors is fewer than the quorum set forth by the Charter to hold the meeting of the Company's Board of Directors and (or) if all members of the Company's Board of Directors are not independent directors, shall be adopted at the General Meeting of Shareholders by the majority of votes of all holders of the voting shares not interested in the transaction.

10.7. The resolutions concerning the issues stated in subparagraphs 2, 5, 7, 17 – 21 of Paragraph 10.2 of the Charter shall be adopted by the General Meeting of Shareholders only following the proposal of the Company's Board of Directors.

10.8. The General Meeting of Shareholders shall not be entitled to adopt resolutions not included in the agenda of the General Meeting of Shareholders or to amend the agenda.

The resolutions of the General Meeting of Shareholders adopted concerning the issues not



included to the agenda of the General Meeting of Shareholders or in violation of competence of the General Meeting of Shareholders, in absence of the quorum to hold the General Meeting of Shareholders or in absence of the majority of the shareholders' votes required to adopt a resolution shall be invalid irrespective of their being challenged in a judicial procedure.

10.9. Voting at the General Meeting of Shareholders shall be subject to the principle "one voting share – one vote" except for the cumulative voting on the issue of electing the members of the Board of Directors.

When voting cumulatively the number of votes belonging to each shareholder shall be multiplied by the number of persons to be elected to the Board of Directors, and the shareholder shall be entitled to cast the votes received in such a way fully for one candidate or distribute them among two candidates or more.

The candidates who have received the highest number of votes shall be considered to be elected to the Board of Directors.

10.10. The functions of the chairing person at the General Meeting of Shareholders shall be performed by the Chairman of the Board of Directors. In his absence functions of the chairing person at the General Meeting of Shareholders shall be performed by the Deputy Chairman of the Board of Directors or by a member of the Board of Directors.

## **11. HOLDING THE GENERAL MEETING OF SHAREHOLDERS IN THE FORM OF A MEETING (JOINT PRESENCE OF SHAREHOLDERS TO DISCUSS THE AGENDA ITEMS AND TO ADOPT RESOLUTIONS ON THE ISSUES PUT FOR VOTING)**

11.1. The annual General Meeting of Shareholders shall be held not earlier than two months and not later than six months after the end of the reporting year.

At the annual General Meeting of Shareholders the following issues shall be obligatory resolved: electing the Board of Directors, Audit Commission, approval of the Company's Auditor, approval of the Company's annual report, annual accounting (financial) reports, as well as distribution of profit (including payment (announcement) of dividends, except for the payment (announcement) of dividends following the results of Q1, half year, nine months of the reporting year) and losses of the Company following the results of the reporting year.

11.2. The General Meeting of Shareholders shall be held in the form of a meeting (joint presence of shareholders (shareholders' representatives) to discuss the agenda items and to adopt resolutions on issues put for voting).

In order to provide shareholders with distant access to the General Meeting the Company shall arrange for video broadcasting of the General Meeting of Shareholders on the Company's Internet website.

The resolutions of the General Meeting of Shareholders can be adopted by means of absent vote (by poll) subject to Section 12 hereof.

11.3. The list of persons entitled to participate at the General Meeting of Shareholders shall be compiled subject to the register data of the Company's shareholders.

The date of compiling the list of persons entitled to participate at the General Meeting of Shareholders cannot be set earlier than in 10 (ten) days after the date of adopting the resolution on holding the General Meeting of Shareholders and later than 50 (fifty) days prior to holding the General Meeting of Shareholders except for cases provided for by Clause 14.9 hereof.

Information on the date of compiling the list of persons entitled to take part at the shareholders' meeting shall be disclosed not later than 7 days before such a date;

The list of persons entitled to participate at the General Meeting of Shareholders, except for the information on the expression of will of such persons, shall be provided by the Company for information purposes at the request of persons included in this list and holding at least one percent of votes. At the same time information, enabling the identification of individuals included in this list, except for the name, surname, patronymic, shall be provided only with their consent.

11.4. The notice of the General Meeting of Shareholders shall be published in the information and telecommunication network Internet at the Company's website [www.trcont.ru](http://www.trcont.ru) not later than 30 (thirty) days prior to the meeting date.

A voting ballot shall be sent to each person included in the list of persons entitled to attend the

General Meeting of Shareholders by registered mail to the address listed in the register of shareholders no later than 20 days prior to the General Meeting of Shareholders.

Each person included into the list of persons entitled to participate at the General Meeting of Shareholders shall be provided with one copy of the voting ballot to vote on all items or one copy of two or more voting ballots to vote on different items.

If a nominee shareholder is listed as the person registered in the register of shareholders, the notice of the General Meeting of Shareholders and the information (materials) to be provided to the persons entitled to attend the General Meeting of Shareholders shall be made available in accordance with the rules of the Russian legislation on securities concerning the provision of information and materials to persons exercising their rights concerning securities in preparation for the General Meeting of the Company's Shareholders.

11.5. The information (materials) on the agenda of the General Meeting of Shareholders shall be available to persons entitled to attend the General Meeting of Shareholders for information purposes at the premises of the Company's executive body and other locations with their addresses specified in the notice of the General Meeting of Shareholders, as well as in the information and telecommunication network Internet at the Company's website [www.trcont.ru](http://www.trcont.ru) within 30 (thirty) days prior to the General Meeting of Shareholders. The information (materials) specified shall be accessible for persons participating at the General Meeting of Shareholders during its holding.

The familiarization procedure of persons entitled to participate at the General Meeting of Shareholders with the information (materials) on the agenda items of the General Meeting of Shareholders and the list of such information (materials) shall be set by the resolution of the Board of Directors.

11.6. The right to participate at the General Meeting of Shareholders shall be exercised by the shareholder both in person and through his representative.

In case the Company's share is co-owned by several persons, then they are provided with one voting ballot copy on all items or one copy of two and more voting ballots on different items, and the authority to vote at the General Meeting of Shareholders shall be effected at their discretion by one of the co-owners or by their joint representative.

The authority of each person specified shall be duly executed.

11.7. When holding the General Meeting of Shareholders in the form of a meeting the persons included into the list of persons entitled to participate at the General Meeting of Shareholders (their representatives) shall be entitled to participate at such meeting or forward the filled in ballots to the Company.

11.8. The General Meeting of Shareholders shall be duly constituted (has the quorum) if shareholders having in total more than half of votes of the Company's placed voting shares participated at it.

The shareholders who registered for participation at the General Meeting of Shareholders and the shareholders whose ballots are received not later than two days prior to the date of holding the General Meeting of Shareholders shall be deemed to have participated at the General Meeting of Shareholders.

11.9. In absence of quorum to hold the annual General Meeting of Shareholders the General Meeting of Shareholders shall be held repeatedly with the same agenda.

The resolution on repeated convention of the General Meeting of Shareholders shall be adopted by the Board of Directors.

The repeated General Meeting of the Company Shareholders shall have the authority if holders of the Company's outstanding voting shares having in total not less than 30 per cent of the votes participated at it.

When holding the repeatedly convened General Meeting of Shareholders in less than 40 (forty) days after the General Meeting of Shareholders that was not held the persons entitled to participate at the General Meeting of Shareholders shall be defined subject to the list of persons who were entitled to participate at the General Meeting of Shareholders that was not held.

11.10. The minutes of the General Meeting of Shareholders shall be drawn within 3 (three) business days upon closure of the General Meeting of Shareholders in two copies. Both copies shall be signed by the Chairman of the General Meeting of Shareholders and the Secretary of the General Meeting of Shareholders.

A scanned copy of the minutes of the General Meeting of Shareholders shall be published in the information and telecommunication network Internet on the Company's website not later than 3 (days) after being signed. [www.trcont.ru](http://www.trcont.ru).

11.11. The resolutions adopted by the General Meeting of Shareholders and the voting results shall be announced at the General Meeting of Shareholders at which the voting took place, and communicated to the persons included in the list of persons entitled to attend the General Meeting of Shareholders in the form of voting results report following the procedure provided for the notice concerning holding the General Meeting of Shareholders no later than four business days after the closing date of the General Meeting of Shareholders.

11.12. In case the supposed agenda of the General Meeting of Shareholders contains the item on the Company reorganization in the form of merger, spin-off or separation and the item on electing the Board of Directors (Supervisory Board) of the Company created by means of reorganization in the form of merger, spin-off or separation, the Company's shareholders (shareholder) cumulatively being the owners of at least 2 per cent of the Company's voting shares, shall be entitled to propose the candidates for the Board of Directors (Supervisory Board) of the company being established, its collegiate executive body, Audit Commission or the candidate to act as the auditor, their number not exceeding the quantitative composition of the relevant body specified in the notice on holding the Company's General Meeting of Shareholders subject to the draft charter of the company being established, and propose the candidate for the office of the sole executive body of the company being established.

In case the proposed agenda of the General Meeting of Shareholders contains items on the Company's reorganization in the form of a merger, the shareholders (shareholder) cumulatively being the owners of at least 2 per cent of the Company's voting shares shall be entitled to propose the candidates for the Board of Directors (Supervisory Board) of the company being established by means of merger, their number not exceeding the number of members of the Board of Directors (Supervisory Board) being elected by the relevant body of the company being established specified in the notice on holding the Company's General Meeting of Shareholders subject to the merger agreement.

Such proposals shall be submitted to the Company not later than 45 (forty-five) days prior to the date of holding the Company's General Meeting of Shareholders.

## **12. HOLDING OF THE GENERAL MEETING OF SHAREHOLDERS IN THE FORM OF ABSENT VOTING**

12.1. The resolution of the General Meeting of Shareholders can be adopted without holding the meeting (joint presence of the shareholders to discuss the agenda items and to adopt resolutions on the issues put for voting) by means of holding the absent voting (by poll).

Voting on the agenda items of the General Meeting of Shareholders held in the form of absent voting shall be effected only by means of voting ballots.

12.2. The General Meeting of Shareholders with the agenda including the issues on the election of the Board of Directors, Audit Commission, approval of the Company Auditor, as well as the issues provided for by Sub-clause 33 of Clause 10.2 of Section 10 hereof, cannot be held in the form of absent voting.

The repeated General Meeting of Shareholders cannot be held by means of absent voting (by poll) instead of the General Meeting of Shareholders that was not held if the General Meeting of Shareholders that did not take place was to be held in the form of joint presence.

12.3. The list of persons entitled to participate in absent voting on the agenda items of the General Meeting of Shareholders shall be compiled subject to the register data of the Company's shareholders.

The date of compiling the list of persons entitled to participate in absent voting on the agenda items of the General Meeting of Shareholders shall not be set earlier than in 10 (ten) days from of the date of adopting the resolution on holding the General Meeting of the Company's Shareholders and more than 50 (fifty) days prior to the final date of accepting the voting ballots by the Company.

12.4. The notice of the General Meeting of Shareholders by way of absentee voting shall be published in the information and telecommunication network Internet at the Company's website [www.trcont.ru](http://www.trcont.ru) not later than 30 (thirty) days prior to the final date of accepting the voting ballots by the Company.

If a nominee shareholder is listed as the person registered in the register of shareholders, the notice of the General Meeting of Shareholders and the information (materials) to be provided to the persons entitled to attend the General Meeting of Shareholders shall be made available in accordance with the rules of the Russian legislation on securities concerning the provision of information and materials to persons exercising their rights concerning securities in preparation for the General Meeting of the Company's Shareholders.

12.5. The voting ballots on the agenda items shall be sent by registered mail to the address specified in the shareholders register or served against signature to the person specified in the list of persons entitled to participate at the General Meeting of Shareholders at least 20 (twenty) days prior to the final date of accepting the voting ballots by the Company.

Each person included into the list of persons entitled to participate at the General Meeting of Shareholders shall be provided with one copy of the voting ballot to vote on all items or one copy of two or more voting ballots to vote on different items.

The familiarization procedure of persons entitled to participate at the General Meeting of Shareholders with the information (materials) on the agenda items of the General Meeting of Shareholders and the list of such information (materials) shall be set by the resolution of the Board of Directors.

12.6. The General Meeting of Shareholders held in the form of absent voting shall be duly constituted (the quorum) if the holders of the Company's outstanding voting shares having in total more than half of the votes participated in it.

The shareholders whose ballots are received prior to the final date of accepting the voting ballots by the Company specified therein shall be deemed to have participated at the General Meeting of Shareholders held in the form of absent voting.

12.7. The minutes of the General meeting of shareholders shall be drawn in two copies within 3 (three) business days after the final date of accepting the voting ballots by the Company. Both copies are signed by the Chairman of the General Meeting of Shareholders and the Secretary of the General Meeting of Shareholders.

The resolutions adopted by the General Meeting of Shareholders and the voting results shall be communicated to the persons included in the list of persons entitled to attend the General Meeting of Shareholders in the form of voting results report following the procedure provided for the notice concerning holding the General Meeting of Shareholders no later than four business days after the final date of accepting the voting ballots when holding the General Meeting of Shareholders held in the form of absent voting.

### **13. PROPOSALS TO THE AGENDA OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

13.1. The Company's shareholders (shareholder) being cumulatively the holders of at least 2 (two) per cent of voting shares shall be entitled to propose issues on the agenda of the annual General Meeting of Shareholders and propose the candidates to the Board of Directors and Audit Commission (their number not exceeding the quantitative composition of the relevant body) within 60 (sixty) days upon the end of the reporting year.

13.2. The proposal on placing the issues on the agenda of the General Meeting of Shareholders and the proposal on the nomination of candidates shall be submitted in writing specifying the name (company name) of the shareholders who nominated them, number and category (type) of the shares they hold and shall be signed by the shareholders (shareholder).

13.3. The proposal on placing the issues on the agenda of the General Meeting of Shareholders shall contain the wording of each proposed issue, and the proposal on nominating the candidates shall contain the full name and ID data (series and (or) number of the document, date and place of its issue, issuing authority) of each nominated candidate, as well as the body name for which they are nominated.

13.4. The Board of Directors shall consider the proposals submitted and resolve on their placement on the agenda of the General Meeting of Shareholders or on refusal to place on the agenda specified within 5 (five) days upon the end of the term specified in Clause 13.1. of this section.

13.5. The Board of Directors shall be entitled to refuse to place the issues proposed by the

shareholders (shareholder) on the General Meeting of Shareholders' agenda, as well as to refuse to include the candidates proposed into the list of candidates for voting on election to the relevant Company body on the grounds provided for by the Federal Law "On Joint Stock Companies" and other regulatory acts of the Russian Federation.

13.6. The reasoned resolution of the Board of Directors on refusal to place the issue on the agenda of the General Meeting of Shareholders or the refusal to include the candidate in the list of candidates for voting on election to the relevant Company body shall be sent to the shareholder (shareholders) who proposed the issue or candidate within 3 (three) days upon its adoption.

13.7. The Board of Directors shall not be entitled to introduce amendments to the issue wordings proposed for placement on the agenda of the General Meeting of Shareholders or into the wordings of resolutions on such issues (if any).

13.8. Beside the issues proposed by the shareholders to be placed on the agenda of the General Meeting of Shareholders and in case of absence of such proposals, absence or insufficient number of candidates proposed by the shareholders to make the relevant body, the Board of Directors shall be entitled to place on the agenda of the General Meeting of Shareholders the issues or to include candidates into the candidate list at their discretion.

#### **14. CONVENING THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

14.1. The General Meetings of Shareholders held besides the annual General Meeting of Shareholders shall be deemed to be extraordinary.

14.2. The extraordinary General Meeting of Shareholders shall be held subject to the resolution of the Board of Directors at their own initiative, on the grounds of the requirements of the Audit Commission, the Company Auditor or the shareholder (shareholders) being the owner of at least 10 (ten) per cent of the Company's voting shares as of the date of presenting the requirement.

14.3. Convening of the extraordinary General Meeting of Shareholders subject to the requirements of the Audit Commission, the Company Auditor or the shareholders (shareholder) being the owner of at least 10 (ten) per cent of the Company voting shares shall be effected by the Board of Directors.

Such General Meeting of Shareholders shall be held within 50 (fifty) days from the date of submission of the requirement on holding the extraordinary General Meeting of shareholders except for the case provided for in Clause 14.9. hereof.

14.4. The requirement on holding the extraordinary General Meeting of Shareholders shall contain the wording of issues subject to introduction to the agenda of the meeting.

The requirement on holding the extraordinary General Meeting of Shareholders can contain wording of resolutions on each of these issues, as well as the proposal concerning the form of the General Meeting of Shareholders. In case the requirement on convening the extraordinary General Meeting of Shareholders contains the proposal on the candidates nomination such proposal shall be covered by the provisions of Section 13 hereof.

The Board of Directors shall not be entitled to introduce amendments to the wordings of the agenda items, resolution wordings on such issues or amend the proposed form of holding the extraordinary General Meeting of Shareholders convened subject to the requirements of the Auditing Committee, the Company Auditor or the shareholders (shareholder) being the owners of at least 10 (ten) per cent of the Company voting shares.

14.5. If the requirement on convening the extraordinary General Meeting of Shareholders is proposed by the shareholder (shareholders) it shall include the full name (company name) of the shareholder (shareholders) requiring convening of the meeting with specification of the number, category (type) of the Company shares owned by them.

The requirement on convening the extraordinary General Meeting of Shareholders shall be signed by the person (persons) requiring convening of the extraordinary General Meeting of shareholders.

14.6. Within 5 (five) days upon the requirement submission by the Audit Commission, the Company Auditor or shareholder (shareholders) being the owner of at least 10 (ten) per cent of the Company voting shares, on convening the extraordinary General Meeting of Shareholders the Board

of Directors shall adopt the resolution on convening the extraordinary General Meeting of Shareholders or refusing to do so.

14.7. The resolution of the Board of Directors on convening the extraordinary General meeting of shareholders or reasoned resolution on refusal to do so shall be sent to the persons requiring its convention not later than 3 (three) days from the moment adopting such a resolution.

14.8. If within the term set forth in Clause 14.6 of Section 14 hereof the Board of Directors does not adopt a resolution on convening the extraordinary General Meeting of Shareholders or they decide to refuse to do so, the Company body or persons requiring its convention shall be entitled to turn to the court with the demand to compel the Company to hold the extraordinary General Meeting of Shareholders.

If enforcement of the court judgement on compelling the Company to hold the extraordinary General Meeting of Shareholders is imposed on the plaintiff or subject to their motion on a Company body or another person, the body or person which, subject to the court ruling hold the extraordinary General Meeting of Shareholders, shall be authorized in compliance with the Federal Law "On Joint Stock Companies", and this Charter to convene and hold the General Meeting of Shareholders..

14.9. If the proposed agenda of the extraordinary General Meeting of Shareholders contains the issue on election of the members of the Board of Directors:

14.9.1. The General Meeting of Shareholders shall be held within 95 (ninety-five) days from the date of submission of the requirement on holding the extraordinary General Meeting of Shareholders.

14.9.2. The Company shareholders (shareholder) being the owners of at least 2 (two) per cent of the Company voting shares shall be entitled to nominate candidates to be elected to the Board of Directors, their number not exceeding the quantitative composition of the Board of Directors.

Such proposals shall be submitted to the Company at least 30 (thirty) days prior to the date of holding the extraordinary General Meeting of Shareholders.

The Board of Directors shall consider the proposals submitted and resolve on their placement on the agenda of the extraordinary General Meeting of Shareholders or on refusal to place on the specified agenda within 5 (five) days after the end of the term specified in Paragraph Two of this sub-clause.

14.9.3. The compilation date for the list of Company's members entitled to participate at the General Meeting of Shareholders cannot be set earlier than in 10 (ten) days upon adopting the resolution on holding the General Meeting of Shareholders and later than 80 (eighty) days prior to the date of holding the General Meeting of Shareholders

14.9.4. The notice on holding the extraordinary General Meeting of Shareholders shall be submitted not later than 70 (seventy) days prior to the date of holding it.

14.10. In cases where, in accordance with the Federal Law "On Joint Stock Companies" the Company Board of Directors shall adopt a resolution on holding an extraordinary General Meeting of Shareholders for the election of members of the Company Board of Directors, such General Meeting of Shareholders shall be held within 90 (ninety) days from the date of adopting the resolution on its holding by the Company's Board of Directors.

## **15. THE BOARD OF DIRECTORS**

15.1. The Board of Directors shall exercise general management of the Company activity except for solving the issues referred to the authority of the General Meeting of Shareholders by the Federal Law "On Joint Stock Companies".

The following matters shall be attributed to the competence of the Board of Directors:

1) defining priority directions of the Company's activity, approval of the development strategy, investment program (investment projects) of the Company, other long-term plans and major programs of the Company's activity, introduction of amendments (adjustments) to them, and consideration of reports on their implementation;

2) convening the annual and extraordinary General Meeting of Shareholders, except for cases provided for by Clause 14.8. of Section 14 hereof, and announcement of the date of holding the repeated General Meeting of Shareholders instead of the one that was not held for the reason of the quorum absence;

- 3) approval of the agenda for the General Meeting of Shareholders;
- 4) election of the Secretary of the General Meeting of Shareholders;
- 5) defining the date of compiling the list of persons entitled to participate in the General Meeting of Shareholders, solving other issues related to preparation and holding of the General Meeting of Shareholders;
- 6) proposal for resolution by the General Meeting of Shareholders of issues provided for by the Federal Law "On Joint Stock Companies";
- 7) placement by the Company of additional shares, into which the preferred shares of a certain type placed by the Company are converted, which are convertible into ordinary shares or preferred shares of other types, unless such placement is related to an increase in the authorized capital of the Company, as well as placement by the Company of bonds or other issuance securities other than shares;
- 8) approval of the resolution on the issue of securities, issue prospectus of the securities and report on the results of the securities issue as well as reports on the results of acquiring the Company shares;
- 9) defining the price (monetary value) of the property, the price of placement or the procedure of defining it and and repayment amount for the issuance securities in cases provided for by the Federal Law On Joint Stock Companies, as well as when solving the issues specified in sub-clauses 21, 38 of Clause 15.1 hereof;
- 10) acquiring of the Company's outstanding shares, bonds and other issuance securities in cases set forth by the Federal Law "On Joint Stock Companies" and by other federal laws;
- 11) alienation (selling) of the Company's shares being at the Company's disposal as the result of their acquisition or repayment from the Company shareholders;
- 12) election of the General Director, determination of the term of his power and early termination of powers of the General Director;
- 13) determination of the quantitative composition of the Governing Body, formation of the Governing Body, determination of the term of powers of members of the Governing Body and early termination of their powers;
- 14) definition of the terms of employment contracts with the members of the Company's executive bodies;
- 15) recommendations to the Company's shareholders meeting on the amount of fees and compensations paid to the members of the Audit Commission and determining the amount of payment for the Auditor's services;
- 16) recommendations on the amount of dividends per shares and procedure of their payment;
- 17) adopting a resolution on the use of the Company's funds, approval of the estimates of the use of special purpose funds and consideration of the results of meeting the estimates on the use of special purpose funds;
- 18) approval of internal documents of the Company within the competence of the Board of Directors determined by the Federal Law "On Joint Stock Companies" and Clause 15.1 hereof, except for the internal documents, approval of which is attributed to the authority of the General Meeting of Shareholders and other internal documents, approval of which is referred to the authority of the Company's executive bodies;
- 19) approval of the Company's budget and its adjustments;
- 20) adoption of the Report on the Company activities (on the implementation of the budget, on the implementation of contracts, on staff policy, on credit policy, on social programs, on insurance coverage, on bank guarantees);
- 21) consideration of forecasts of the results of the Company activity;
- 22) establishment of branches and opening of Company's representative offices, their liquidation;
- 23) approval of nominees to the position of the branch heads and the Company's representative offices;
- 24) adopting resolutions on participation of the Company in other organizations, including the approval of the founding documents and nominees to the management bodies of the newly established

organizations, (except for the resolutions on participation in the organizations specified in sub-clause 20 of Clause 10.2. of Section 10 hereof), passing resolutions on the change of the share ownership (number), share amount, share encumbrances and termination of the Company participation in other organizations;

25) adopting resolutions in part of raising and lending a loan by the Company, the Company undertaking obligations ensuing from a bill (issuance of promissory notes and bill of exchange), regardless of amount;

26) adopting resolutions in part of obtaining and issuing guarantees, sureties, pledges by the Company if the contract amount exceeds 1 per cent of the Company assets book value determined on the date of passing a resolution to conclude a transaction;

27) adopting resolutions in part of conclusion of credit and loan agreements by the Company, unless otherwise provided for by the internal documents approved by the Board of Directors;

28) adopting a resolution on conclusion of transactions or several interrelated transactions the subject of which is the property, works and services the cost of which is equal to 5 – 25 per cent of the Company's assets book value determined as of the date of passing the resolution on concluding the transaction, as well as concerning transactions the subject of which is the property, works and services the cost of which is equal to 25 or more per cent of the Company's assets book value determined as of the date of passing the resolution on concluding the transaction, which are concluded as part of the Company's ordinary business activity;

29) approval of major transactions provided for by Chapter X of the Federal Law "On Joint Stock Companies";

30) approval of transactions provided for by Chapter XI of the Federal Law "On Joint Stock Companies";

31) approval of the Company registrar, terms of agreement with them and their agreement termination;

32) election of the Chairman of the Board of Directors and early termination of his powers;

33) election of the Deputy Chairman of the Board of Directors and early termination of his powers;

34) passing a resolution on appointment and dismissal of the Company's Corporate Secretary, determination of the amount of his remuneration, bonus payments and other terms of the labor contract with him, as well as adoption of the Regulation on the Corporate Secretary;

35) approval of the following actions performed by the Company:

a) transactions related to gratuitous transfer of the Company's property or property rights (requirements) to him or a third party, except for transactions with federal bodies of executive power, their territorial divisions in compliance with the legislation of the Russian Federation.

б) transactions related to release from the property obligation towards him or third party;

в) transactions related to gratuitous rendering of services (works performance) to third parties by the Company;

36) approval of combining positions in the management body of other organizations for the General Director and members of the Company Board, as well as of other paid positions in other organizations;

37) approval of nominees to particular positions of the Company's management body set forth by the Board of Directors;

38) adopting a resolution on the payment of lump-sum rewards to persons holding the Company's managerial positions according to the approval procedure for those positions being determined by the Board of Directors, as advised by the General Director of the Company;

39) determination whether the members of the Company's Board of Directors comply with the independence criteria developed for a member of the Company's Board of Directors;

40) approval of the Policy and Concept of the Corporate Risk Management System, corporate risk map, the action plan for the prevention of identified risks, risk ranking parameters, as well as considering the reports on implementation of the action plan for critical risks;

41) assessment of the risk management and internal control systems functioning , as well as the corporate management system of the Company;



42) passing of resolutions on appointment and dismissal of the Head of the Company's Internal Audit Service, as well as determination of their remuneration;

43) approval of the annual budget of the Company's Internal Audit Service, the activity plan of the Internal Audit Service for the calendar year, as well as consideration of the report on the implementation of the activity plan of the Internal Audit Service;

44) adopting a resolution on suspension of powers of the managing organization (trust manager's);

45) adopting a resolution on appointment of the acting General Director of the Company in cases provided for by Clauses 23.9, 23.10 of Section 23 hereof;

46) bringing to disciplinary liability of the Company's General Director, as well as their reward subject to the labour laws of the Russian Federation;

47) approval of the imposition of sanctions on the Board Members in accordance with the labour legislation of the Russian Federation and their rewards in cases determined by internal documents approved by the Board of Directors;

48) consideration of reports on the implementation of resolutions adopted by the General Meeting of Shareholders and by the Board of Directors;

49) approval of the interaction procedure between the Company and organizations the Company participates in;

50) determination of the Company's (the Company representatives') position concerning the following items on the agenda of managerial bodies of legal entities in which the Company participates (hereinafter referred to as dependent business companies, or DBC), including orders to take or not to take part in voting on the agenda items, to vote on the projects "for", "against" or "abstain":

a) reorganization and liquidation of the DBC;

б) on determining the quantitative composition of the DBC collegiate managerial bodies, nomination or election of their members and early termination of their authority;

в) on determining quantity, nominal value, class (type) of declared shares of DBC and rights vested in such shares;

г) on changes to the amount of the DBC authorized capital;

д) on placement of DBC securities converted into ordinary shares;

е) on DBC's shares split and consolidation;

ж) on approval of major transactions effected by DBC;

з) on DBC's participation in other organizations (on joining an existing organization or creation of a new one), and on acquiring, alienation and encumbrance of shares in the authorized capitals of organizations DBC participates in, change of the share ownership in the authorized capital of the relevant organization;

и) on introducing amendments and additions to the founding documents of DBC, with the exception of amendments and additions related to the change of DBC's location or postal address;

к) on payment to the DBC's Board of Directors (Supervisory Board) and members of the Audit Commission of remunerations and compensations.

51) approval of concluding the transactions the subject of which is presented by the Company's fixed assets of 10 – 25 per cent of the book value of these Company's assets determined on the date of passing a resolution to conclude such a transaction, as well as the subject of which is presented by DBC's shares in the amount over 10 per cent of their charter capitals;

52) appointment of the Company's representatives to participate in supreme management bodies of organizations of any form of incorporation the Company participates in;

53) adopting a resolution on nomination of candidates by the Company to be elected to the position of the sole executive body, to other management bodies, controlling bodies, as well as on the approval of nominees to the auditor's office concerning the organizations of any form of incorporation the Company participates in;

54) determination of the directions of the Company's insurance coverage including approval of the Company's Insurer;

55) approval of the candidate of the independent valuer (valuers) to define the cost of shares,

property and other assets of the Company in cases provided for by the Federal Law "On Joint Stock Companies" and this Charter;

56) approval of transactions on the alienation of immovable property of the Company;

57) determination of lease procedure concerning the immovable property of the Company;

58) approval of the Company's corporate identity;

59) adopting a resolution on establishing Committees under the auspices of the Board of Directors, approval of the regulations on the Committees, as well as determination of the quantitative composition of the Committees, election of Committee's members and early termination of their powers;

60) approval of the regulation on the Internal Audit Service;

61) adopting a resolution on establishment and registration of the corporate mass media;

62) assessment of performance of the Board of Directors and its committees;

63) other issues attributed to the competence of the Board of Directors by the Federal law "On Joint Stock Companies" and this Charter.

15.2. The attributed referred to the competence of the Board of Directors shall not be transferred to the Governing Body or the General Director.

15.3. The members of the Board of Directors when exercising their rights and performing obligations shall act in the interests of the Company; exercise their rights and perform obligations in relation to the Company in good faith and in reasonable manner.

15.4. The members of the Board of Directors shall be liable to the Company for the losses incurred to the Company through their faulty actions (inactions), unless other liability reasons are stated by the federal laws.

The members of the Board of Directors who voted against decision that led to losses for the Company or shareholder, or who did not participate in voting shall not bear liability.

## **16. ELECTING THE BOARD OF DIRECTORS**

16.1. The Board of Directors shall be composed of 11 (eleven) persons.

16.2. The members of the Board of Directors shall be elected at the General Meeting of Shareholders in the order provided for by Clause 10.9. hereof for the term until the next annual General Meeting of Shareholders.

In case of election of the Board of Directors at the extraordinary General Meeting of Shareholders the members of the Board of Directors shall be deemed to be elected for the term until the next annual General Meeting of Shareholders.

If the annual General Meeting of Shareholders is not held within the terms set forth by Clause 11.1 hereof the powers of the Board of Directors shall be terminated except for the authority on convening, preparation and holding the annual General Meeting of Shareholders.

16.3. Only a natural person can be the member of the Board of Directors.

16.4. Persons elected to the Board of Directors can be re-elected for an unlimited number of times.

16.5. Subject to the resolution of the General Meeting of Shareholders the powers of members of the Board of Directors can be terminated before the expiry date.

The resolution of the General Meeting of Shareholders on early termination of powers can be adopted only in relation to all members of the Board of Directors.

## **17. CHAIRMAN OF THE BOARD OF DIRECTORS**

17.1. The Chairman and Deputy Chairman of the Board of Directors shall be elected by the members of the Board of Directors from among themselves by the majority of votes of the total number of members of the Board of Directors.

The Board of Directors shall be entitled to re-elect the Chairman and Deputy Chairman of the Board of Directors by the majority of votes of the total number of members of the Board of Directors.

17.2. The Chairman of the Board of Directors shall organize the functioning of the Board of Directors, convene its meetings and chair them, organize maintenance of the minutes at the meetings, chair the General Meeting of Shareholders.

17.3. In the absence of the Chairman of the Board of Directors his functions shall be carried out by the Deputy Chairman of the Board of Directors. In the absence of the Deputy Chairman of the Board of Directors his functions shall be carried out by a member of the Board of Directors elected by a simple majority of votes of persons attending the meeting of members of the Board of Directors.

## **18. MEETINGS OF THE BOARD OF DIRECTORS**

18.1. The procedure of convening and holding the meetings of the Board of Directors shall be determined by the provision on the Board of Directors approved by the General Meeting of Shareholders.

18.2. The meetings of the Board of Directors shall be held as and when necessary but at least once per quarter.

The meeting of the Board of Directors shall be convened by the Chairman of the Board of Directors (or Deputy Chairman of the Board of Directors or a member of the Board of Directors in case provided for by Clause 17.3 hereof) at their own initiative, subject to the requirement of the member of the Board of Directors, Audit Commission, Auditor, General Director or the Governing Body.

18.3. At the first meeting of the newly elected Board of Directors the issues on the election of the Chairman of the Board of Directors and Deputy Chairman of the Board of Directors shall be obligatory resolved.

The meeting of the Board of Directors specified shall be convened by one of the members of the Board of Directors subject to the Regulation on the Company's Board of Directors.

18.4. The resolution of the Board of Directors can be adopted by absent vote (by poll). When voting by absent vote all members of the Board of Directors shall be provided with materials on the agenda items and the check list for voting specifying the term by which the check list which is filled in and signed by the member of the Board of Directors shall be submitted to the Company's Corporate Secretary.

18.5. The resolution of the Board of Directors shall be adopted at meetings of the Board of Directors held exclusively by personal presence, on the following agenda items:

- 1) approval of priority activities, as well as financial and economic plan of the Company;
- 2) convening the annual General Meeting of shareholders and approval of decisions necessary for its convening and holding;
- 3) preliminary approval of the Company's annual report;
- 4) election and re-election of the Chairman of the Board of Directors;
- 5) election of the Company's executive bodies and early termination of their authority;
- 7) putting forward for consideration by the General Meeting of Shareholders of issues concerning reorganization (including determination of the swap ratio for the Company shares) or liquidation of the Company;
- 8) approval of major transactions of the Company<sup>1</sup>;
- 9) Approval of the Company's Registrar, of the terms and conditions of their contract and termination of their contract;
- 10) putting forward for consideration by the General Meeting of Shareholders of the issue concerning the transfer of authority vested in the Company's sole executive body to a management organization or a trust manager;
- 11) consideration of significant activity aspects of the legal entities controlled by the Company, as provided by Sub-clause 50 of Clause 15.1 hereof;
- 12) issues related to the mandatory or voluntary offer received by the Company;
- 13) issues related to the increase of the Company's authorized capital (including determination of the property price for the property submitted as payment for additional shares placed by the Company);
- 14) consideration of the financial activities of the Company during the reporting period (quarter, year);

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<sup>1</sup> The transactions attributed hereby to the authority of the Board of Directors shall be understood as material transactions;

- 15) issues related to listing and delisting of the Company's shares;
- 16) consideration of results of performance efficiency concerning the Company's Board of Directors, executive bodies and the key senior executives of the Company<sup>2</sup>;
- 17) adopting a resolution on the remuneration of the members of the Company's executive bodies and other key senior executives;
- 18) consideration of Risk management policies;
- 19) approval of the Company's dividend policy

18.6. The member of the Board of Directors absent at the meeting of the Board of Directors held by way of personal presence shall be entitled to express his opinion in writing on the agenda items in the order set forth by the Resolution on the Board of Directors approved by the General Meeting of Shareholders.

18.7. Transfer of the voting right to another person by the member of the Board of Directors as well as to another member of the Board of Directors shall not be allowed.

18.8. The resolutions at the meeting of the Board of Directors shall be adopted by the majority of votes cast by the members of the Board of Directors except for cases provided for by the Federal Law "On Joint Stock Companies", by this Charter or the Regulations on the Board of Directors.

18.9. The resolutions of the Board of Directors concerning the issues on the approval of major transactions shall be adopted unanimously by all members of the Board of Directors.

When passing resolutions by the Board of Directors, provided for in this point, the votes of retired members of the Board of Directors are not taken into account.

18.10. Resolutions shall be adopted by the Board of Directors by the majority of votes of three fourth of its members of their total number on the following issues:

- 1) on suspension of the managing organization's (trust manager's) powers and on appointment of the Alternate General Director;
- 2) on convening an extraordinary General Meeting of Shareholders in cases provided for by Clauses 23.9, 23.10 hereof.
- 3) on inclusion of persons nominated by the shareholders or the Company's Board of Directors, nominees to the list of the Audit Commission or on approval of the auditor and the person performing the functions of the sole executive body of each company established by means of reorganization in the form of merger, spin-off or separation.

When passing resolutions by the Board of Directors, provided for in this point, the votes of retired members of the Board of Directors are not taken into account.

18.11. Resolutions shall be adopted by the Board of Directors by a majority vote of all elected members of the Board of Directors on the following issues:

- 1) determination of priority directions of the Company's activity, approval of the development strategy, investment program (investment projects) of the Company, other long-term plans and major programs of the Company's activity, introduction of amendments (adjustments) to them, and consideration of reports on their implementation;
- 2) approval of the Company's dividend policy;
- 3) putting forward for the consideration of the General Meeting of Shareholders issues concerning the reorganization or liquidation of the Company;
- 4) putting forward for the consideration of the General Meeting of Shareholders issues concerning the increase or decrease of the Company's charter capital, determination of the price (monetary value) for the property submitted as payment for additional shares placed by the Company;
- 5) putting forward for the consideration of the General Meeting of Shareholders issues concerning the amendments introduced to the Company's Charter, listing and delisting of the Company's shares and (or) the Company's securities converted into its shares;
- 6) approval of recommendations concerning a voluntary or mandatory proposal submitted to the Company;
- 7) approval of recommendations concerning the amount of dividends on the Company's shares.

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<sup>2</sup> Key senior executives of the Company shall be interpreted as those executives for whom the approval of their nominations for positions is attributed to the authority of the Board of Directors according to the Board of Directors.

When the Board of Directors adopts resolutions provided for by this clause the votes of the former members of the Board of Directors shall not be taken into account.

18.12. The resolution on the approval of an interested party's transaction shall be passed by the Board of Directors by the majority of votes of the members of the Board of Directors not interested in its implementation.

18.13. Resolutions of the Board of Directors on the issues provided for by Subclauses 24-27, 49-51 of Clause 15.1 hereby shall be passed by a two-third majority of votes cast by the members of the Board of Directors participating at the meeting.

18.14. When adopting resolutions at the meeting of the Board of Directors each member of the Board of Directors shall have one vote. In case of equality of votes during voting the casting vote is the vote of the Chairman of the Board of Directors.

18.15. for the Board of Directors' meeting holding shall be at least half of the elected members of the Board of Directors.

When the number of the members of the Board of Directors is fewer than the amount making the quorum the Board of Directors shall adopt a resolution on holding an extraordinary General Meeting of Shareholders to elect the new composition of the Board of Directors. The remaining members of the Board of Directors shall be entitled to adopt resolutions only on convening of such extraordinary General Meeting of Shareholders. In this case the quorum for the meeting of the Board of Directors shall be at least half of the remaining members of the Board of Directors.

18.16. Minutes shall be kept at the meeting of the Board of Directors. Minutes of the meeting of the Board of Directors shall be drawn and signed within 3 (three) days upon its holding by the Chairman of the meeting and the Company's Corporate Secretary bearing liability for the correctness of its drawing.

The documents approved by the Board of Directors as well as written and special opinions of members of the Board of Directors shall be attached to the minutes and be their integral part.

When the Board of Directors adopts resolutions by absent voting the check lists for voting signed by the members of the Board of Directors shall be attached to the minutes.

## **19. COMMITTEES OF THE COMPANY'S BOARD OF DIRECTORS**

19.1. For the purposes of increasing the efficiency and quality of the Board of Directors' performance the Audit Committee, Strategy Committee, as well as Nomination and Remuneration Committee shall function in the Company.

19.2. The Audit Committee shall be formed by the resolution of the Company Board of Directors to improve the efficiency and quality of the Board of Directors' performance through preliminary consideration of issues within the authority of the Board of Directors, related to control of the Company's financial and business activity in part of:

- 1) annual accounting (financial) statements;
- 2) risk management, internal control and corporate governance;
- 3) conducting internal and external audits;
- 4) counteraction to unscrupulous acts of the Company's employees and third parties.

19.3. The Strategy Committee shall be formed by the resolution of the Company's Board of Directors to improve the efficiency and quality of the Board of Directors performance through preliminary consideration of issues related to high-priority lines of the Company's activity, development and implementation of the Company's development strategy in part of:

1) identifying high-priority lines and strategic goals of the Company's activity, control over the implementation of the Company's strategy, development of recommendations on the adjustment of the existing Company's development strategy;

2) forming the annual budget and investment program of the Company, providing recommendations for their adjustment, monitoring the implementation of the budget and the investment program of the Company;

3) development of proposals on the Company's dividend policies;

4) assessment of the Company's efficiency;

5) the Company's participation in other organizations (including the issues of direct and indirect acquisition and alienation of shares in the authorized capitals of the organizations as well as encumbrance of shares);

19.4. 6) assessment of voluntary and mandatory proposals on acquisition of the Company securities; The Nomination and Remuneration Committee shall be formed by the resolution of the Board of Directors to improve the efficiency and quality of the Board of Directors' performance through preliminary consideration of issues in part of:

- 1) the formation of the efficient and transparent remuneration practices within the Company;
- 2) HR planning, formation of professional composition and improvement of the performance efficiency of the Board of Directors, planning appointments of members of the Company's executive bodies and other key senior executives of the Company.

19.5. Other Committees of the Board of Directors can be established in the Company.

19.6. The Committees are advisory bodies under the Company's Board of Directors. The resolutions of the Committees shall have advisory nature for the Company's Board of Directors.

19.7. The Committees shall be accountable to and controlled by the Company's Board of Directors.

19.8. The resolution on the formation of Committees shall be passed by the Company's Board of Directors by simple majority of the members of the Board of Directors participating at the meeting.

19.9. The quantitative composition of the Committees shall be defined by the Company's Board of Directors in the amount of at least 3 persons.

19.10. Committee members' term shall be equal to that of the Board of Directors which elected them.

Powers of the Committee members can be terminated before the expiry date by resolution of the Company's Board of Directors.

19.11. The Committee management and organization of its activity is effected by the Committee Chairman.

The Chairman of the Committee shall be elected by a simple majority of votes of the Board of Directors participating at the meeting from among the members of the Committee.

The Company's Board of Directors can re-elect the Chairman of the Committee at any moment.

19.12. The activity of the Committees shall be determined by the internal documents of the Company approved by the Company's Board of Directors.

## **20. CORPORATE SECRETARY OF THE COMPANY**

20.1 The Company's Corporate Secretary shall be elected by the Company's Board of Directors.

The Company Corporate Secretary shall be appointed and dismissed by the Company's General Director on the basis of a resolution of the Company's Board of Directors.

The resolution on the approval of the appointment and dismissal of the Company's Corporate Secretary shall be adopted by a majority vote of the Board of Directors members participating at the meeting.

The Company's Board of Directors shall be entitled at any time to adopt the resolution on early termination of the Company's Corporate Secretary's powers by a simple majority of votes of the Board of Directors members participating at the meeting.

In the case of adopting the resolution to terminate the powers of the Corporate Secretary, at the same meeting the Board of Directors shall adopt the resolution on the approval of a new nominee for the position of the Company's Corporate Secretary or on the determination of the Alternate Corporate Secretary until the approval of the newly nominated Corporate Secretary.

20.2. The main objective of the Company's Corporate Secretary shall be to ensure that the Company's bodies and officials comply with the procedural requirements guaranteeing the exercise of the Company shareholders' rights and interests.

20.3. Main functions of the Company's Corporate Secretary shall be:

- 1) to organize preparation for and holding of the Company General Meeting of Shareholders.

- 2) to support activities of the Company's Board of Directors;
  - 3) to support activities of the Company's Board of Directors committees;
  - 4) to ensure the interaction of the Company with regulatory bodies, trade organizers, the registrar, other professional participants of securities market within the powers attributed to the Company's Corporate Secretary;
  - 5) to arrange interaction between the Company and its shareholders;
  - 6) to participate in the prevention of corporate conflicts;
  - 7) to participate in the implementation of the Company's policy on disclosure (provision) of information about the Company;
  - 8) to organize the Company's documents storage;
  - 9) to ensure the implementation of procedures on protection of rights and legal interests of shareholders as well as control over their implementation, established by the legislation and internal documents of the Company,
  - 10) to notify immediately all the Board of Directors of all detected violations of the legislation as well as of provisions of the Company internal documents in case their compliance relates to the functions of the Company Corporate Secretary;
  - 11) to participate in improving the system and functioning of the Company's corporate management;
  - 12) to perform other functions established by the internal document of the Company determining the operating procedures of the Company Corporate Secretary.
- 20.4. The activity of the Company Corporate Secretary shall be determined by the internal document of the Company approved by the Company Board of Directors.

## **21. EXECUTIVE BODIES OF THE COMPANY**

- 21.1. The executive bodies of the Company shall be the collegial executive body - the Governing Body and the sole executive body - the General Director.
- 21.2. Executive bodies shall provide management of the Company's current operations and report to the Company's Board of Directors and the General Meeting of Shareholders.
- 21.3. The rights, obligations and responsibilities of the executive bodies shall be governed by the Federal Law "On Joint Stock Companies", other legal acts of the Russian Federation, this Charter and internal regulatory documents of the Company.

## **22. GOVERNING BODY OF THE COMPANY**

- 22.1. The following matters shall be reserved to the authority of the Governing Body of the Company:
- 1) preliminary approval of the prioritized activities of the Company, including the project of the Company's Development Strategy, the consideration of reports on the implementation of the Company's Development Strategy, preparation of proposals for amendments (adjustments) to the Company's Development Strategy;
  - 2) preliminary approval of the Company's investment projects projects for other long-term plans and major programs of the Company's activity, introduction of amendments (adjustments) to them, and approval of reports on their implementation;
  - 3) preliminary approval of the Company's draft budget for the relevant period, preparation of recommendations to the Board of Directors on amendments (adjustments) to the Company's budget, consideration of reports on budget implementation and of the forecasts for the results of the Company's operations;
  - 4) preliminary approval of issues concerning the Company's participation in other organizations, changes in the share of participation and termination of the Company's participation in other organizations;
  - 5) preliminary approval of the agenda items not attributed to the competence of the Company's Board of Directors but concerning the management bodies of legal entities in which the Company participates directly or indirectly and which are listed in the register approved by the Board

(hereinafter referred to as LEs):

- 5.1) on determining the main areas of activity of LEs;
  - 5.2) on the approval of budgets, business plans, strategies, investment and other programs of LEs, as well as on the amendments (adjustments) introduced to these documents;
  - 5.3) on the approval of reports on the implementation of budgets, business plans, strategies, investment and other programs of LEs;
  - 5.4) on the approval of the LE auditor's report;
  - 5.5) on the distribution of LE profit, the amount of dividends and their payment procedure, as well as on the creation of the reserve fund;
  - 5.6) on the establishment / liquidation of LE branches;
  - 5.7) on borrowing and granting loans as well as encumbrances, guarantees, sureties, pledges or other security for the performance of obligations in relation to LEs;
  - 5.8) on implementation by the LE of transactions related to gratuitous transfer of the property, LE's debt as well as other similar transactions.
- 6) approval of internal documents of the Company on issues within the competence of the Governing Body as defined by Clause 22.1 hereby, as well as internal documents relating to the current business of the Company submitted for consideration of the Governing Body by the Chairman of the Governing Body, with the exception of internal documents to be approved by other management bodies of the Company;
- 7) preliminary consideration of transactions relating to the competence of the Board of Directors and the General Meeting of Shareholders that exceed 5 percent of the book value of the Company's assets as determined on the date of passing the resolution on the conclusion of the transaction;
- 8) adopting resolutions on conclusion of transactions or several interrelated transactions, the subject of which is the property, works and services with the cost equal to 2 – 5 per cent of the book value of the Company's assets as determined on the date of passing the resolution on the conclusion of the transaction, except for transactions to be approved by the Company's General Meeting of Shareholders and the Board of Directors;
- 9) passing resolutions in part of obtaining and issuing guarantees, sureties, pledges by the Company if the contract amount is lower than or equal to 1 per cent of the Company's assets book value determined on the date of adopting a resolution to implement a transaction;
- 10) formation of commissions and committees of the Governing Body, approval of regulations on the committees and commissions of Governing Body;
- 11) approval of the Governing Body's activity plan for the relevant period;
- 12) election of the Governing Body's Secretary;
- 13) approval of the terms of collective agreements on the part of the Company;
- 14) election of the Company's tender commission;
- 15) approval of the institutional structure of the Company and its modifications, remuneration and motivation systems for the employees of the Company, except for issues attributed to the competence of the Company's Board of Directors by the Charter and the Federal Law "On Joint Stock Companies", long-term HR planning and preliminary approval of the prioritized areas in the sphere of work with the Company's personnel;
- 16) consideration of reports of branch heads and heads of other structural subdivisions and submission of proposals on optimization of their activities;
- 17) resolution of other issues on the current activities of the Company submitted for its consideration by the Chairman of the Board.

22.2 The issues attributed to the authority of the Company's Governing Body cannot be transferred to the Company's General Director or structural subdivisions.

22.3. The procedure for the Governing Body's formation and early termination of its powers, the procedure for preparation and holding of the Governing Body's meetings shall be determined by the Regulations on the Governing Body, approved by the General Meeting of the Company Shareholders.

22.4 The Company General Director shall act as the Chairman of the Governing Body.

22.5 The decisions at the meeting of the Company's Governing Body shall be taken by a majority of votes of the Governing Body's members attending the meeting.

22.6. Each member of the Governing Body shall have one vote. The Governing Body's



members shall not be entitled to transfer their votes to another person, including another member of the Governing Body. In case of an equality of votes, the Chairman of the Governing Body shall have a casting vote.

22.7 The quorum for holding a Governing Body's meeting shall be at least half of the elected members of the Governing Body. Written opinion on the agenda issues belonging to the absent Governing Body's members, which is to be attached to the minutes, shall be taken into account when determining the quorum and the voting results.

22.8. Governing Body's members, in exercising their rights and performing their obligations, shall act in the interests of the Company and exercise their rights and perform their obligations in good faith and reasonably.

22.9. The Governing Body's members shall be liable to the Company for the losses incurred to the Company through their faulty actions (inaction), unless other liability reasons are stated by the federal laws.

The members of the Governing Body who voted against the resolution that led to losses incurred to the Company or shareholder, or who did not participate in voting, shall not bear liability.

22.10 The provisions set out in Chapter 43 of the Labour Code of the Russian Federation "Peculiarities of labour regulation of the head of the organization and members of the collegial executive body of the organization" shall apply to members of the Company's Governing Body .

### **23. GENERAL DIRECTOR OF THE COMPANY**

23.1. The General Director acts on behalf of the Company without any power of attorney subject to restrictions provided for by the legislation of the Russian Federation, this Charter and by the resolutions of the Board of Directors:

- 1) ensures performance of the Company's activity plans necessary to resolve its tasks;
- 2) organizes accounting and reporting in the Company;
- 3) disposes of the Company property, makes transactions on behalf of the Company, issues powers of attorney, opens settlement and other accounts of the Company in banks and other credit institutions (and in the organizations being the professional security market participants provided for by the legislation of the Russian Federation);
- 4) adopts resolutions with regard to the conclusion of credit agreements, loan and pledge agreements, as well as resolutions on the emission of the Company's own promissory notes, in compliance with the procedure prescribed hereby and by the Company's Credit Policy, approved by the Company's Board of Directors;
- 5) issues orders, approves (adopts) instructions, local regulatory acts and other internal documents of the Company on issues of their authority, gives orders binding for all the Company's employees;
- 6) approves Regulations on the Company's branches and representative offices;
- 7) appoints alternate branch and representative office directors who exercise the powers of the branch or representative office directors within the framework provided by the regulation on the branch or representative office and the power of attorney granted to them, in case of absence, including the dismissal of the relevant branch or representative office director for the period until the approval by the Board of Directors of the new nominee to the branch or representative office director's position;
- 8) approves the staffing chart of the Company;
- 9) exercises the rights and obligations of the employer provided for by the labour laws of the Russian Federation in relation to the Company's employees;
- 10) at least 45 (forty-five) days prior to holding the annual General Meeting of Shareholders submits for consideration by the Board of Directors the annual report, balance sheet, profit and loss account of the Company, distribution of the Company's profits and losses;
- 11) submits for consideration by the Board of Directors the reports on financial and business activity of subsidiary and associated companies with the Company holding shares thereof, and information on other organizations the Company participates in;
- 12) ensures organization and holding of activities on mobilization training, civil defense and meeting the mobilization tasks imposed on the Company;
- 13) ensures the protection of state secrets, technical protection of information, confidential

records keeping;

14) proposes to the Board of Directors nominees for election to the Company's Governing Body;

15) solves other issues of the Company's current activity except for the issues attributed to the authority of the General Meeting of Shareholders, the Board of Directors and the Board.

23.2. The General Director shall be elected by the Board of Directors by the majority of votes of the Board of Directors' members attending the meeting.

Nomination to the office of the General Director to be elected by the Board of Directors shall be effected in compliance with the procedure set forth by the internal documents of the Company.

23.3. The rights and obligations of the General Director as to management of the Company's current activity shall be defined by the Federal Law "On Joint Stock Companies", other legal acts of the Russian Federation, this Charter and by the employment agreement concluded by the General Director with the Company.

23.4. The employment contract shall be signed on behalf of the Company by the Chairman of the Board of Directors or a person authorized by the Board of Directors.

23.5. The rights and obligations of the employer on behalf of the Company in relation to the General Director shall be fulfilled by the Board of Directors or the person authorized by the Board of Directors in the order determined by the resolutions of the Board of Directors.

23.6. The Board of Directors shall be entitled at any time to pass a resolution on the termination of the General Director's powers and on election of the new General Director.

Termination of the General Director's authority shall be effected on the grounds set forth by the federal laws and the employment agreement concluded with the Company.

23.7. Subject to the resolution of the General Meeting of Shareholders the authority of the Company's sole executive body can be transferred to the managing organization or trust manager under the relevant agreement.

23.8. The rights and obligations of the managing organization (trust manager) as to management of the Company's current activity shall be defined by the Federal Law "On Joint Stock Companies", other legal acts of the Russian Federation and the agreement concluded with the Company.

The agreement on behalf of the Company shall be signed by the Chairman of the Board of Directors or the person authorized by the Board of Directors.

The agreement terms including in part of the authority term shall be determined by the Board of Directors.

23.9. The General Meeting of Shareholders shall be entitled at any time to adopt a resolution on early termination of the managing organization's (trust manager's) powers.

The Board of Directors shall be entitled to adopt the resolution on suspension of the managing organization's (trust manager's) powers. Simultaneously with the resolution specified the Board of Directors shall adopt a resolution on appointment of the alternate General Director and on holding an extraordinary General Meeting of Shareholders to solve the issue on early termination of the managing organization's (trust manager's) powers and unless otherwise adopted by the Board of Directors on transfer of the authority of the Company's sole executive body to another managing organization (trust manager).

23.10. Provided that the managing organization (trust manager) cannot fulfil their obligations the Board of Directors shall be entitled to adopt a resolution on appointment of the alternate General Director and on holding an extraordinary General Meeting of Shareholders to solve the issue on early termination of the managing organization's (trust manager's) powers and unless otherwise adopted by the Board of Directors on transfer of the authority of the Company's sole executive body to another managing organization (trust manager).

23.11. The Alternate General Director shall manage the Company's current activity within the authority of the Company executive bodies unless the Board of Directors passes a resolution to the contrary.

23.12. The General Director, alternate General Director, as well as the managing organization (trust manager) when exercising their rights and performing obligations shall act in the interests of the Company; exercise their rights and perform obligations in relation to the Company in good faith and reasonable manner.

23.13. The General Director, alternate General Director and the managing organization (trust manager) shall be liable towards the Company for losses incurred to the Company by their faulty actions (inactions) unless other grounds and the responsibility amount is set forth by the federal laws.

23.14. For the period of their vacation, illness, business trip or absence for other reasons, the General Director shall appoint the alternate General Director who provides management of the current activities of the Company within the competence of the General Director provided hereby, unless otherwise determined by the Board of Directors.

## **24 .THE AUDIT COMMISSION, THE COMPANY'S AUDITOR AND THE INTERNAL AUDIT SERVICE**

24.1. To exercise control over financial and business activity of the Company the General Meeting of Shareholders shall elect the Audit Commission for the term until the next annual General Meeting of Shareholders

In case of election of the Audit Commission at the extraordinary General Meeting of shareholders the members of the Audit Commission shall be deemed to be elected for the term until the next annual General meeting of shareholders

The quantitative composition of the Audit Commission shall be 5 (five) persons.

24.2. Subject to a resolution of the General Meeting of Shareholders the authority of all or several members of the Audit Commission can be terminated prior to the expiration date.

24.3. The authority of the Audit Commission shall include:

1) data validity confirmation in the annual report, balance sheet, profit and loss accounts of the Company.

2) analysis of the Company financial standing, detecting reserves to improve the Company financial standing and development of recommendations for the Company management bodies;

3) organizing and performing the audit (revision) of the financial and business activity of the Company, in particular: audit (revision) of the financial, accounting, payment and settlement and other documents of the Company related to the Company's financial and business activity as to their compliance with the laws of the Russian Federation, hereto and internal documents of the Company;

4) control over preservation and use of the fixed assets;

5) control over compliance with the established procedure of writing-off for the Company losses of the insolvent debtors' indebtedness;

6) control over spending the Company funds in compliance with the approved business plan and budget;

7) control over forming and use of the reserve and other special funds of the Company;

8) checking correctness and timeliness of accrual and payment of dividends on the Company's shares, interest under bonds, income under other securities;

9) checking of performance of the instructions issued earlier as to elimination of violations and deficiencies revealed by the previous audits (revisions);

10) performance of other activities (measures) related to audit of the financial and business activity of the Company.

All resolutions on the issues referred to the Audit Commission authority shall be adopted by a simple majority of votes of the total number of its members.

The Audit Commission shall be entitled to require the convenion of an extraordinary General Meeting of Shareholders.

The procedure of the Audit Commission's activity shall be determined by the Company's internal document approved by the General Meeting of shareholders.

The Audit Commission subject to the resolution on conducting the audit (revision) shall be entitled for the purposes of the audit (revision) to engage experts in the relevant spheres of law, economics, finances, accounting, management, economic safety and others including specialized organizations.

24.4. The audit (revision) of the Company's financial and business activity can be effected at any time under the initiative of the Audit Commission, resolution of the General Meeting of shareholders, the Board of Directors or subject to the requirement of the Company shareholder (shareholders) holding in total at least 10 per cent of the Company's voting shares.

24.5. To audit and confirm the Company's annual accounting (financial) statements the General Meeting of Shareholders shall annually appoint the Company Auditor .

24.6. The amount of the Auditor's service fee shall be defined by the Board of Directors.

24.7. The Company's Auditor shall effect audit of the financial and business activity of the

Company subject to the requirements of legal acts of the Russian Federation and on the grounds of the agreement concluded with them.

24.8. Following the results of the financial and business activity audit of the Company the Audit Commission, the Company Auditor shall draw a statement, which shall contain:

1) confirmation of the data validity in the reports and other financial documents of the Company;

2) information on the violations by the Company of the order of book keeping and submission of the accounting (financial) statements established by the legal acts of the Russian Federation and the requirements of the legal acts of the Russian Federation when performing the Company's financial and business activity.

The order and terms of drawing the report following the results of the Company financial and business activity audit shall be determined by the laws of the Russian Federation and internal documents of the Company.

24.9. In order to implement the internal audit of the Company financial and business activity, to provide the Company's management bodies with reliable and complete information on the Company activities, to improve the risk management efficiency, to provide the assessment of corporate governance the Internal Audit Service shall operate within the Company.

24.10. The activity of the Company's Internal Audit Service shall be determined by the internal document of the Company approved by the Company's Board of Directors.

## **25. ACCOUNTING AND ACCOUNTING (FINANCIAL) STATEMENTS OF THE COMPANY**

25.1. The Company shall maintain accounting records and submit accounting (financial) reporting in the manner prescribed by the Federal Law "On Joint Stock Companies" and other legal acts of the Russian Federation.

25.2. Subject to the Federal Law "On Joint Stock Companies" and this Charter, the General Director shall be charged with responsibility for organization, condition and reliability of the accounting records in the Company, timely submission of the accounting reports and other financial statements to the relevant bodies, as well as data on the Company's activity provided to the Company's shareholders, creditors and to the mass media.

25.3. Reliability of data in the annual report of the Company, annual accounting (financial) reports shall be confirmed by the Audit Commission and the Company's Auditor.

In order to provide the annual audit of the annual accounting (financial) statements the Company shall contract an audit organization not connected by property interests with the Company or its shareholders.

25.4. The annual report, balance sheet, profit and loss account of the Company, distribution of the Company's profits and losses shall be subject to the preliminary approval by the Board of Directors at least 30 (thirty) days prior to the date of holding the annual General Meeting of Shareholders.

## **26. KEEPING THE COMPANY'S DOCUMENTS INFORMATION DISCLOSURE BY THE COMPANY**

26.1. The Company shall keep the following documents:

1) The Company's Charter, amendments and supplements thereto registered in accordance with the applicable procedure, the resolution on establishment of the Company, certificate of the Company's state registration;

2) documents confirming the rights of the Company to the property on its balance;

3) internal regulations of the Company;

4) the Regulations on the Company's branches and representative offices;

5) annual reports;

6) resolutions on securities issue;

7) securities prospectuses, quarterly issuer's reports and other documents containing information subject to publication or disclosure otherwise according to the federal laws;

- 8) accounting documents;
- 9) accounting (financial) statement documents;
- 10) minutes of the General Meeting of Shareholders, the Board of Directors' meetings, the Audit Commission and the Company's Governing Body;
- 11) voting ballots and powers of attorney (copies of the powers of attorney) to participate at the General Meeting of Shareholders;
- 12) appraisers' reports;
- 13) lists of the Company's affiliates;
- 14) lists of persons entitled to participate at the General Meeting of Shareholders and persons entitled to receive dividends, and other lists compiled by the Company for execution of the shareholders' rights according to the requirements of the Federal Law "On Joint Stock Companies";
- 15) opinions of the Audit Commission, the Company's Auditor, state and local financial control bodies;
- 16) Company's founders agreement;
- 17) notices on conclusion of the shareholders' agreements sent to the Company and lists of persons who concluded such agreements;
- 18) judicial acts on disputes related to founding the Company, management thereof or membership therein.
- 19) other documents provided for by the Federal Law "On Joint Stock Companies", this Charter, Company's internal documents and resolutions of the Company's managing bodies, as well as documents stipulated by legal acts of the Russian Federation.

26.2. The Company shall keep the documents referred to in Paragraph 26.1 hereof at the location of the executive body of the Company in the manner and within the time frames established by the Bank of Russia.

26.3. When reorganizing the Company all documents shall be transferred to the assignee following the established procedure.

26.4. When liquidating the Company the documents intended for permanent storage of scientific and historical importance shall be transferred for state storage to the relevant body, the personnel records (orders, personnel files and account records, personal accounts, etc.) shall be transferred for storage to the relevant archive of the constituent entity of the Russian Federation.

Transfer and arrangement of documents shall be performed subject to the requirements of the archive bodies.

The information on the Company shall be provided by it subject to the requirements of the legal acts of the Russian Federation.

26.5. The Company shall provide shareholders with access to the documents provided for by Clause 26.1. of this article. Shareholder(s) cumulatively holding at least 25 per cent of the Company voting shares shall be entitled to access accounting documents and minutes of the Board meetings.

26.6. The documents provided for by Clause 26.1 hereof shall be submitted by the Company within 7 (seven) business days upon receipt of the relevant requirement for familiarization in the premises of the Company's executive body.

Subject to the requirement of the persons having access to the documents provided for by Clause 26.1 hereof, the Company shall provide them with copies of the documents specified.

The cost for making copies of the documents shall be set forth by the General Director and shall not exceed the expenses amount for their making.

26.7. The Company ensures access to the information for shareholders and Company's employees complying with the requirements of the state secret legislation of the Russian Federation.

## **27. REORGANIZATION AND LIQUIDATION OF THE COMPANY**

27.1. The Company can be voluntarily reorganized by merger, accession, separation, spin-off and transformation and subject to the grounds and in the order set forth by the Civil Code of the Russian Federation and federal laws.

27.2. The Company can be liquidated subject to the ruling of the court or voluntarily in the order provided for by the legislation of the Russian Federation.

27.3. When reorganizing, liquidating the Company or terminating the works containing the data classified as state secret the Company shall ensure safety of such data and their carriers by means of development and implementation of the secrecy order measures, information protection, guarding and fire safety

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