

**APPROVED by:**  
**the General Meeting of Shareholders**  
**Of the Open Joint Stock Company**  
**United Chemical Company Uralchem**  
**Minutes No. 5 of 03 June 2008**

**CHARTER**

**OF THE OPEN JOINT STOCK COMPANY**  
**United Chemical Company Uralchem**  
**(new version)**

**Moscow,**  
**2008**

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## 1. GENERAL PROVISIONS

**The Open Joint Stock Company United Chemical Company Uralchem**, hereinafter referred to as the “**Company**”, is a commercial organization, which nominal capital is subdivided into a certain number of shares certifying the liability rights of shareholders with regard to the Company.

The Company is created for an indefinite term of activities.

The Company is created pursuant to the Agreement on the creation of the Company of 22 October 2007, Civil Code of the Russian Federation, Federal Law of the Russian Federation No 208-FZ of 26 December 1995 “On Joint Stock Companies” (hereinafter – “Federal Law “On Joint Stock Companies”, “Law”), as well as to other normative legal acts of the Russian Federation.

## 2. PROPRIETARY DESIGNATION AND LOCATION OF THE COMPANY

- 2.1. Full proprietary designation of the Company in the Russian language is **Открытое акционерное общество «Объединенная химическая компания «УРАЛХИМ»**.

Abbreviated proprietary designation of the Company in the Russian language is **ОАО «ОХК «УРАЛХИМ»**.

Full proprietary designation of the Company in the English language is **Open Joint Stock Company United Chemical Company Uralchem**.

Abbreviated proprietary designation of the Company in the English language is **Uralchem, OJSC**.

- 2.2. Location of the Company: 123317, Russian Federation, Moscow, 18 Krasnopresnenskaya Naberezhnaya.

The location of the Company is the location of its sole executive body.

Postal address: 123317, Russian Federation, Moscow, Block B, 18 Krasnopresnenskaya Naberezhnaya.

## 3. LEGAL STATUS OF THE COMPANY

- 3.1. The Company’s legal status is determined by the Civil Code of the Russian Federation, by the Federal Law “On Joint Stock Companies” and by other normative legal acts, as well as by this Charter.
- 3.2. The Company is a legal entity pursuant to the legislation of the Russian Federation.
- 3.3. The Company is considered to be created as a legal entity after its state registration in the order established by federal laws.
- 3.4. The Company has in its property solitary assets being recorded in its independent balance-sheet, it can acquire, on its behalf, and carry out property and personal non-property rights, incur obligations, be a plaintiff and a defendant in the court.
- 3.5. The Company has civil rights and incurs civil obligations necessary for the carrying out of any kinds of activities not forbidden by law, as well as possesses full economic independence.
- 3.6. The Company is entitled, in the established order, to open bank accounts in the territory of the Russian Federation and abroad.
- 3.7. The Company holds a round seal containing its full proprietary designation in the Russian language and indication at its location. In the seal one can also specify the Company’s proprietary designation in the English language.
- 3.8. The Company is entitled to have stamps and letterheads with its designation, its own emblem, as well as trademarks and other means of visual identification registered in the established order.
- 3.9. The Company can, on a voluntary basis, get united in alliances, associations, as well as be a member of other non-commercial organizations both in the territory of the Russian Federation and abroad.
- 3.10. The Company can participate and create in the territory of the Russian Federation and beyond it commercial and non-commercial organizations pursuant to current legislation of the Russian Federation.
- 3.11. The Company is obliged to provide for the maintenance and storage of the register of the Company’s shareholders pursuant to legal acts of the Russian Federation after the state registration of the Company.

## 4. RESPONSIBILITY OF THE COMPANY AND OF ITS SHAREHOLDERS

- 4.1. The Company bears responsibility under its liabilities with all the assets owned by it. The Company bears no responsibility for any liabilities of its shareholders.

- 4.2. The shareholders bear no responsibility under the Company's liabilities and bear the risk of losses related to the Company's activities within the limits of the value of shares owned by them.
- 4.3. The shareholders, who have not paid the shares in full, bear joint and several responsibility under the Company's liabilities within the limits of non-paid part of the value of shares owned by them. In case of incomplete payment of shares in the course of one year after the Company's state registration, the property right for the shares, which placing price corresponds to the unpaid amount (value of the assets not handed over as the payment for the shares), passes over to the Company.
- 4.4. Shareholders are entitled to alienate the shares owned by them without any consent of other shareholders and of the Company.
- 4.5. The state and its authorities bear no responsibility under the Company's liabilities, the same as the Company bears no responsibility under the liabilities of the state and of its authorities.

## **5. AFFILIATES AND REPRESENTATIVE OFFICES. ASSOCIATED AND AFFILIATED COMPANIES**

- 5.1. The Company can create affiliates and open representative offices in the territory of the Russian Federation with the observance of requirements of the legislation of the Russian Federation.
- 5.2. The creation of affiliates by the Company and opening of representative offices outside the Russian Federation is also carried out pursuant to the legislation of a foreign country at the location of such affiliates and representative offices, unless otherwise is foreseen by an international treaty of the Russian Federation.
- 5.3. Affiliates and representative offices are not legal entities and act pursuant to provisions to be ratified by the Company. Any affiliate or a representative office is endowed with assets, which is to be recorded both in their independent balance-sheet and in the Company's balance-sheet.
- 5.4. The director of an affiliate and of a representative office is appointed by the Company and acts pursuant to a power of attorney issued by the Company.
- 5.5. Affiliates and representative offices carry out activities on behalf of the Company. The responsibility for the activities of any affiliate or representative office is to be borne by the Company.
- 5.6. The provisions on the affiliate (representative office) and alterations to them, conditions of an agreement with an appointed director of an affiliate or representative office, powers to be conceded by the power of attorney are to be ratified by the Board of Directors.
- 5.7. The Company can have affiliated and associated companies with the rights of a legal entity in the territory of the Russian Federation created pursuant to current legislation of the Russian Federation, and outside the Russian Federation – pursuant to the legislation of a foreign country at the location of such an affiliated or associated company, unless otherwise is foreseen by an international treaty of the Russian Federation.

## **6. OBJECTIVES, SUBJECT AND KINDS OF ACTIVITIES OF THE COMPANY**

- 6.1. The main objective of the Company's activities is to gain profit, as well as the fullest and most qualitative satisfaction of needs of legal entities and natural persons in its products, works, and services.
- 6.2. In order to gain profit, the Company carries out the following main kinds of activities:
  - 6.2.1. investment activities, including the acquiring of shares (stock) in nominal capitals of Russian and foreign legal entities, as well as of other property and corporate rights (interests) in business entities.
  - 6.2.2. financial activities, including the attraction of credits, loans, emission and placement of bonds, issuance of bill and other monetary liabilities, granting of suretyships under debentures, other financial mediation.
  - 6.2.3. rendering of services on the management of property complexes, including those under trust management agreements, activities as a managing company, performance of functions of conduct of general business in partnerships, representation of interests of legal entities and natural persons in inter-corporate relations.
  - 6.2.4. granting of patents, licenses, property copyrights, other special property rights to third persons to use.
  - 6.2.5. granting and rendering to enterprises, organizations, institutions and natural persons of various kinds of services: in the field of law; services in the filed of accounting and revision; services in the filed of taxation; services on the research of market conjuncture and on the revelation of

- public opinion; consulting services on the matters of commercial activities and management, financial and investment and analytical services.
- 6.2.6. innovative activities, research, design and experimental and planning and surveying works.
  - 6.2.7. cooperation with participants of stock market, with commodity producers, and professional associations and unions.
  - 6.2.8. examination of conjuncture of goods and services market, carrying out of economic, managerial, information and commercial, holding, marketing, factoring and other activities.
  - 6.2.9. organization and conduct of conferences, seminars, symposiums, business meetings, both in the Russian Federation and outside.
  - 6.2.10. carrying out of any kinds of international economic activities pursuant to the legislation of the Russian Federation.
  - 6.2.11. establishment and development of progressive forms of international economic collaboration, including that in the field of foreign trade, development of export and import of goods and services
  - 6.2.12. other activities not forbidden by the legislation of the Russian Federation.
- 6.3. As for some certain activities, the list of which is determined by federal laws of the Russian Federation, the Company can get engaged in them only pursuant to a special permit (license).
  - 6.4. If the conditions of the granting of a special permit (license) for the occupation with some certain activity foresee a requirement on the occupation with such activity as the sole one, then the Company, within the validity term of the special permit (license) is not entitled to carry out any other activities, with the exception of those foreseen by the special permit (license) and those accompanying them.
  - 6.5. The Company's right to carry out any activities, for the occupation with which it is necessary to obtain a license, arises after the obtainment of such a license or within the term specified therein and ceases on expiry of its validity term, unless otherwise is established by law or by other legal acts of the Russian Federation.

## 7. NOMINAL CAPITAL OF THE COMPANY

- 7.1. The Company's nominal capital determines the minimum amount of the assets guaranteeing the interests of its creditors. The Company's nominal capital is made up of the par value of the Company's shares acquired by shareholders (allotted shares). The Company's nominal capital makes up **2 000 000 000,00 (two billion) rubles**.
- 7.2. The Company has allotted ordinary registered non-documentary shares with the par value of **20,00 (twenty) rubles** each in the quantity of **100 000 000 (one hundred million)** pieces.
- 7.3. The Company's nominal capital can be:
  - 7.3.1. increased by means of increasing the par value of shares or of allotting additional shares pursuant hereto. The Company, additionally to allotted shares, is entitled to allot **100 000 000 (one hundred million)** ordinary registered non-documentary shares with the par value of **20,00 (twenty) rubles** each. After the placing the declared shares concede the same rights to their owners as the Company's ordinary shares allotted earlier.
  - 7.3.2. decreased by means of decreasing the par value of shares or of reducing of their total quantity, including that by means of acquiring and retirement of part of the Company's allotted shares pursuant hereto.
- 7.4. The nominal capital can be paid in money, securities, in other things or property rights or other rights being of monetary value.

## 8. INCREASE OF THE COMPANY'S NOMINAL CAPITAL

- 8.1. The increase of the Company's nominal capital is allowed only after its full payment. It is not allowed to increase the Company's nominal capital, in order to cover any losses incurred by the Company.
- 8.2. The Company's nominal capital can be increased by means of increasing the par value of shares or of placing of additional shares.
- 8.3. The resolution on the increase of the Company's nominal capital by means of increasing the par value of shares is to be adopted by the General Meeting of Shareholders pursuant to current legislation of the Russian federation and to this Charter.
- 8.4. The increase of the Company's nominal capital by means of increasing the par value of shares is carried out only at the expense of the Company's assets.
- 8.5. The resolution on the increase of the Company's nominal capital by means of placing additional

shares is to be adopted by the Board of Directors, with the exception of cases, when pursuant to the Federal Law “On Joint Stock Companies” this resolution is to be adopted only by the General Meeting of Shareholders . Additional shares are placed by the Company within the limit of the quantity of declared shares specified in Paragraph 7.3.1. hereof.

- 8.5.1. The resolution of the Company’s Board of Directors on the increase of the nominal capital by means of placing additional shares is to be adopted unanimously by all the members of the Company’s Board of Directors, in this case the votes of exiting members of the Company’s Board of Directors are disregarded.
  - 8.5.2. In case there is no unanimity of the members of the Board of Directors on the matter of increasing the Company’s nominal capital by means of placing additional shares, then by resolution of the Company’s Board of Directors the matter of increasing the Company’s nominal capital by means of placing additional shares can be submitted for consideration of the General Meeting of Shareholders .
  - 8.5.3. The resolution on the matter of increasing the Company’s nominal capital by means of placing additional shares can be adopted by the General Meeting of Shareholders simultaneously with the resolution on bringing in, in the Company’s Charter, provisions on declared shares necessary in compliance with the Law for the adoption of such a resolution, or on amending the provisions on declared shares.
- 8.6. In case of increase of the nominal capital the Company is obliged to be guided by restrictions established by current legislation of the Russian Federation.
  - 8.7. The increase of the Company’s nominal capital at the expense of its assets by means of placing additional shares, as a result of which fractional shares are formed, is not allowed.

## **9. DECREASE OF THE NOMINAL CAPITAL OF THE COMPANY**

- 9.1. The decrease of the Company’s nominal capital is carried out in the order foreseen by the legislation of the Russian Federation and by this Charter. The Company is obliged to decrease its nominal capital in cases foreseen by the federal law “On Joint Stock Companies.”
- 9.2. The Company’s nominal capital can be decreased by means of reducing the par value of shares or of reducing of their total quantity, including that by means of acquisition and retirement of part of shares by the Company.
- 9.3. The resolution on the decrease of the nominal capital by means of decreasing the par value of shares or by means of acquiring part of shares with the purpose of reducing their total quantity is to be adopted by the General Meeting of Shareholders .
- 9.4. The Company is obliged to decrease the nominal capital pursuant to a resolution of the General Meeting of Shareholders on the decrease of the nominal capital by means of the retirement of shares, which are at the Company’s disposal, in the following cases:
  - 9.4.1. if the shares, the property right for which has passed over to the Company as a result of their incomplete payment by any founder within the established term, were not sold in the course of one year after their acquisition by the Company;
  - 9.4.2. if the shares redeemed by the Company by request of shareholders were not sold in the course of one year after the date of their redemption (with the exception of case of redeeming shares in case of the adoption of a resolution on the reorganization of the Company);
  - 9.4.3. if the shares acquired by the Company pursuant to the Federal Law “On Joint Stock Companies” were not sold in the course of one year after the date of their acquisition.
- 9.5. The Company is not entitled to decrease its nominal capital, if a result of such a reduction its amount is sure to become less than the minimum amount of the nominal capital determined pursuant to the Federal Law “On Joint Stock Companies” at the date of the submission of documents for state registration of corresponding alterations in the Company’s Charter, and in cases the Company is obliged to decrease its nominal capital – at the date of the Company’s state registration.
- 9.6. If at the end of the second and of each subsequent financial year pursuant to the annual accounting balance-sheet proposed for the ratification to the Company’s shareholders, or pursuant to the results of an auditing checkup the value of the Company’s net assets turns out to be less than its nominal capital, the Company is obliged to declare the decrease of the nominal capital to the amount not exceeding the value of its net assets. In this case the decrease of the Company’s nominal capital is carried out by means of decreasing the par value of shares.
- 9.7. In the course of 30 days after the adoption of the resolution on the decrease of its nominal capital the Company is obliged the Company’s creditors of the decrease of the Company’s nominal capital and of

- its new amount in writing, as well as to publish in a printed matter intended for the publication of the data about state registration of legal entities, a notification about the adopted resolution.
- 9.8. In case of any decrease of the nominal capital the Company is obliged to be guided by restrictions established by federal laws of the Russian Federation.
- 9.9. The Company's net asset worth is evaluated according to the accounting data in the order established by the legislation of the Russian Federation.

## **10. REGISTER OF SHAREHOLDERS OF THE COMPANY**

- 10.1. The information about shareholders is contained in the Company's register of shareholders, in which one specifies the data about each registered person, quantity and categories (types) of shares written to the name of each registered person, other information foreseen by the legislation of the Russian Federation.
- 10.2. The Company provides for the maintenance and storage of the Company's register of shareholders Общество pursuant to the legislation of the Russian Federation after the Company's state registration.
- 10.3. The holder of the Company's register of shareholders is the Company itself or any professional participant of the securities market carrying out the activities on the maintenance of the register of owners of registered securities (registrar), in case the authorized bodies of the Company adopt a resolution on the involvement of a registrar in the maintenance of the Company's register of shareholders.
- 10.4. Any person registered in the Company's register of shareholders is obliged to inform the holder of the Company's register of shareholders opportunely of any alteration of its data. In case such a person fails to submit the information about any alteration of its data, the Company and the registrar bear no responsibility for losses incurred in connection therewith.
- 10.5. Making entries in the register of shareholders and refusal to make entries is carried out on the grounds and in the order foreseen by the legislation of the Russian Federation. The refusal to make an entry in the register of shareholders can be challenged in court.
- 10.6. By request of any shareholder or of any nominal holder of shares the holder of the Company's register of shareholders is obliged to confirm their rights for shares by means of issuing an excerpt from the Company's register of shareholders, which is not a security.

## **11. SHARES IN THE COMPANY**

- 11.1. The Company is entitled to place ordinary shares, as well as one or several types of privileged shares. The par value of placed privileged shares must not exceed 25 (twenty-five) per cent of the Company's nominal capital.
- 11.2. All the Company's shares are registered and are emitted in a non-documentary form.

## **12. RIGHTS AND OBLIGATIONS OF SHAREHOLDERS OWNING ANY SHARES IN THE COMPANY**

- 12.1. Every ordinary share in the Company concedes to the shareholders owning it an equal volume of rights.
- 12.2. Privileged shares of the same type in the Company concede the equal volume of rights to shareholders owning them and have the same par value.
- 12.3. The rights of shareholders owning ordinary shares in the Company are the following:
- 12.3.1. to participate in the General Meeting of Shareholders with the right to vote on all the matters of competence;
  - 12.3.2. to alienate shares belonging to them or their part in favor of other shareholders and (or) of third persons without any consent of other shareholders in the Company and without any consent of the Company. Heirs (successors) of any shareholder have the right for the shares obtained by way of inheritance (succession), irrespective of the consent of other shareholders in the Company or of the Company itself;
  - 12.3.3. to obtain part of net profit (dividends) subject to distribution among shareholders, proportionately to the quantity of shares owned by them in the order foreseen by the Federal Law "On Joint Stock Companies" and by the Charter;
  - 12.3.4. to obtain part of the Company's assets (liquidation quota) remaining after the Company's liquidation, proportionately to the quantity of shares owned by them;

- 12.3.5. to elect and be elected to the Company's managing and controlling bodies in the order and on conditions foreseen by the Law and by the Charter;
- 12.3.6. to acquire, in the preemptive order, any additional shares and equity securities convertible in shares, placed by means of any public or private subscription, in cases and in the order foreseen by current legislation of the Russian Federation;
- 12.3.7. to require the submission by the Company of an excerpt from the list of persons entitled to participate in the General Meeting of Shareholders , containing the data about his shareholder, or the submission of a certificate that he is not included into the list of persons entitled to participate in the General Meeting of Shareholders ;
- 12.3.8. to require the submission by the Company of an excerpt from the list of persons entitled to demand the redemption by the Company of shares owned by them, containing the data about this shareholder, or the submission of a certificate that he is not included into the list of persons entitled to participate in the General Meeting of Shareholders ;
- 12.3.9. to require the submission by the Company of an excerpt from the list of persons having a preemptive right to acquire any additional shares placed by the Company and equity securities convertible into shares, containing the data about this shareholder, or the submission of a certificate that he is not included into such a list, in the order and on conditions foreseen by the Law and by the Charter;
- 12.3.10. to require, in the order established by the legislation, from the holder of the Company's register of shareholders, the confirmation of his rights for the shares in the Company owned by him by means of issuance of an excerpt from the Company's register of shareholders, which is not a security;
- 12.3.11. to obtain information from the Company about the Company's activities, to get familiarized with the data of accounting records and with other documentation, to obtain copies of the Company's constitutive and other documents pursuant to the legislation of the Russian Federation;
- 12.3.12. to have access to the Company's documents determined by the Federal Law "On Joint Stock Companies";
- 12.3.13. to pass over all or part of the rights conceded by the shares to his representative (representatives) pursuant to a power of attorney;
- 12.3.14. to require the redemption by the Company of all or part of shares owned by them in cases established by the Federal Law "On Joint Stock Companies";
- 12.3.15. to challenge in court resolutions of the Company's General Meeting of Shareholders , of the Company's Board of Directors, of the Company's General Director pursuant to the legislation of the Russian Federation;
- 12.3.16. to put forward a claim about nullification of major transactions and if interested-party transactions concluded with the violation of requirements established by the Federal Law "On Joint Stock Companies";
- 12.3.17. to exercise other rights foreseen by legislation, by the Charter and by resolutions of the General Meeting of Shareholders adopted pursuant to its competence.
- 12.4. Any shareholders (shareholder) possessing in the aggregate at least 1 % (one per cent) of voting shares in the Company are also entitled:
  - 12.4.1. to demand from the Company the submission of a list of persons entitled to participate in the General Meeting of Shareholders , for them to get familiarized with it, on condition that they are included into such a list;
  - 12.4.2. to apply to the court with a claim, in the order established by law, towards any members of the Board of Directors and the General Director of the Company, toward any provisional sole executive body of the Company about reimbursement of losses incurred to the Company.
- 12.5. Any shareholder (shareholders) registered in the register maintenance system and possessing in the aggregate over 1 % (one per cent) of voting shares in the Company are also entitled to demand from the holder of the Company's register of shareholders the submission of the data from the Company's Register of shareholders to them about the name (designation) of owners registered in the Company's register of shareholders and about the quantity, category and par value of securities owned by them.
- 12.6. Any shareholders (shareholder) possessing in the aggregate at least 2 % (two per cent) of voting shares in the Company are also entitled:
  - 12.6.1. to bring in items in the agenda of the General Meeting of Shareholders , as well as to set up candidates (also by means of self-nomination) to the Company's Board of Directors, to the Revision Commission and to the Counting Commission of the Company, to put forward a candidature of the Company's Auditor;

- 12.6.2. to challenge in court, in the established order, the Resolution of the Company's Board of Directors on the refusal to include a corresponding item to the agenda of the General Meeting of Shareholders or a candidate into the list of candidatures for the voting on elections to a corresponding body of the Company, as well as evasion of the Company's Board of Directors from the adoption of a corresponding resolution.
- 12.7. Any shareholders (shareholder) possessing in the aggregate at least 10 % (ten per cent) of voting shares in the Company are also entitled:
  - 12.7.1. to require the conduct of an extraordinary general meeting of the Company's shareholders on any matters of its competence;
  - 12.7.2. to call an extraordinary General meeting of the Company's shareholders, in case the Company's Board of Directors has not adopted the resolution on the calling of an extraordinary General meeting of the Company's shareholders in the order established by law and by this Charter, or if the Company's Board of Directors has adopted the resolution on the refusal to call it;
  - 12.7.3. to challenge in court, in the order established by law, the resolution of the Company's Board of Directors on the refusal to call an extraordinary General Meeting of Shareholders ;
  - 12.7.4. to require the conduct by the Company's Revision Commission of an extraordinary checkup (revision) of the Company's financial and economic activities;
  - 12.7.5. to require the conduct of an extraordinary independent auditing checkup of the Company's activities.
- 12.8. Any shareholders (shareholder) possessing in the aggregate at least 25 % (twenty-five per cent) of voting shares in the Company also have the right of access to the Company's accounting documents.
- 12.9. Shareholders in the Company are obliged:
  - 12.9.1. to observe the provisions of this Charter and of other internal documents of the Company;
  - 12.9.2. to pay for the shares acquired by them within the term, in the order and in the form foreseen by current legislation of the Russian federation and by this Charter;
  - 12.9.3. to inform the holder of the Company's register of shareholders of any alterations of its name (designation), location and postal address, of bank requisites and of other data for the bringing in of amendments into the register of shareholders;
  - 12.9.4. to preserve confidentiality of the information about the Company's activities known to them, about the Company's securities and transactions with them, as well as of any other information, which is not publicly available and the disclosure of which may exert a significant influence over the Company's activities;
  - 12.9.5. not to carry out any actions inflicting harm to the Company's interests, to its officers or shareholders, as well as hindering the activities of the Company, of its officers or shareholders; not to disclose any information referred to state or commercial secrets;
  - 12.9.6. to fulfill obligations assumed towards the Company in the established order;
  - 12.9.7. to comply with decisions of the Company's managing bodies taken within the limits of their competence;
  - 12.9.8. to perform any other obligations foreseen by the Federal Law "On Joint Stock Companies", by the Charter, as well as by resolutions of the General Meeting of Shareholders adopted pursuant to its competence.

### **13. BONDS AND OTHER EQUITY SECURITIES OF THE COMPANY**

- 13.1. The Company is entitled to place bonds and other equity securities foreseen by legal acts of the Russian Federation on securities. The placing of bonds by the Company and of other equity securities is carried out by resolution of the Board of Directors pursuant to requirements of the Federal Law "On Joint Stock Companies." The placement of bonds by the Company convertible into shares and of other equity securities convertible into shares is carried out by resolution of the Company's Board of Directors, with the exception of cases, when pursuant to the Federal Law "On Joint Stock Companies" this resolution is to be adopted solely by the General Meeting of Shareholders .
- 13.2. The Company's bond certifies the right of its owner to require the redemption of the bond (payment of the par value or of the par value and of interest) within the established terms.
- 13.3. In the resolution on the emission of bonds one is to specify the form, terms and other conditions of the redemption of bonds. The bond must have a par value.  
The par value of all the bonds emitted by the Company must not exceed the amount of the Company's nominal capital and/or the amount of collateral provided to the Company by third persons with the purpose of the emission of bonds. The placement of bonds by the Company is allowed after full payment of the Company's nominal capital.

- 13.4. The Company can place bonds with non-recurrent term of redemption or bonds with the term of redemption in accordance with series and within specified terms.
- 13.5. The redemption of bonds can be carried out in monetary form or by means of other assets pursuant to the resolution on their emission.  
The Company is entitled to place bonds secured by the pledge of some certain assets of the Company, or bonds against security granted to the Company by third persons for the purpose of the emission of bonds, and bonds without security.
- 13.6. The bonds can be registered and payable to bearer. During the emission of registered bonds the Company is obliged to maintain the register of their owners.  
Any lost registered bond is to be resumed by the Company for a reasonable pay. The rights of the owner of any lost bond payable to bearer are to be restored by court in the order established by procedural legislation of the Russian Federation.  
The Company is entitled to foresee an opportunity of early redemption of bonds by the will of their owners. In this case the resolution on the emission of bonds must determine the value of redemption and the term, starting from which they can be presented for early redemption.
- 13.7. The Company is not entitled to place bonds and other equity securities convertible into the Company's shares, if the quantity of the Company's declared shares of some certain categories and types is less than the quantity of these categories and types, the right for the acquisition of which such securities concede.

#### **14. PLACEMENT BY THE COMPANY OF SHARES AND OF OTHER EQUITY SECURITIES**

- 14.1. The Company is entitled to carry out the placement of additional shares and of other equity securities of the Company by means of subscription and conversion. In case of the increase of the Company's nominal capital at the expense of its assets, the Company must carry out the placement of additional shares by means of their distribution among shareholders.
- 14.2. The Company is entitled to carry out the placement of shares and equity securities of the Company convertible into shares, by means of both public and private subscription pursuant to requirements of the Federal Law "On Joint Stock Companies."
- 14.3. Shareholders in the Company have the preemptive right to acquire the additional shares and equity securities convertible into shares being placed by means of public subscription, and in cases foreseen by the Federal Law "On Joint Stock Companies" – by means of private subscription, in the quantity proportionate to the quantity of shares of this category (type) owned by them, in the order determined by the Federal Law "On Joint Stock Companies."
- 14.4. The payment of the Company's additional shares is carried out by the price determined by the Company's Board of Directors pursuant to the provisions of the Federal Law "On Joint Stock Companies", but not less than their par value.
- 14.5. The price of the placement of additional shares for shareholders in the Company, during the exercise by them of the preemptive right for the acquisition of shares, can be lower than the price of placement for other persons, but not more than by 10 per cent.
- 14.6. The amount of the remuneration for a mediator participating in the placement of the Company's additional shares by means of subscription must not exceed 10 per cent of the price of the placement of shares.

#### **15. FUNDS. NET ASSETS. PROFIT AND DIVIDENDS**

- 15.1. In the Company one creates the reserve fund in the amount of 5 % (five per cent) of the Company's nominal capital. The Company's reserve fund is formed by means of obligatory annual deductions till the fund reaches the amount specified above. The amount of annual deductions makes up at least 5% (five per cent) of the net profit till the fund reaches the amount specified hereby.
- 15.2. The Company's reserve fund is intended for the coverage of its losses, as well as for the redemption of the Company's bonds and shares, in case no other funds are available. The reserve fund cannot be used for any other purposes.
- 15.3. The Company is entitled to create a fund, the means of which will be used for the payment of dividends under the Company's shares.
- 15.4. The Company's net asset worth is evaluated according to the accounting data in the order established by current legislation of the Russian Federation.
- 15.5. If at the end of the second and of each subsequent financial year pursuant to the annual accounting

- balance-sheet proposed for the ratification to the shareholders in the Company, or pursuant to the results of an audit checkup the Company's net asset worth turns out to be less than its nominal capital, the Company is obliged to declare the decrease of its nominal capital to the amount not exceeding the value of its net assets.
- 15.6. If at the end of the second and of each subsequent financial year pursuant to the annual accounting balance-sheet proposed for the ratification to the shareholders in the Company, or pursuant to the results of an audit checkup the Company's net asset worth turns out to be less than its nominal capital determined pursuant to current legislation of the Russian Federation, the Company is obliged to adopt a resolution on its liquidation.
  - 15.7. The Company's Board of Directors is entitled to propose to the General Meeting of Shareholders to decrease the Company's nominal capital to the amount, which is less than its net asset worth, if by results of an audit checkup the Company's net asset worth has turned out to be less than its nominal capital. In this case the resolution of the Company's Board of Directors on such a proposal must be adopted unanimously by all members of the Company's Board of Directors. In this case the votes of exiting members of the Company's Board of Directors are disregarded. The Company is obliged to decrease the nominal capital within a sensible term after the General Meeting of Shareholders adopts a resolution on the decrease of the nominal capital by a majority making up three fourths of votes of shareholders owning voting shares and participating in the General Meeting of Shareholders .
  - 15.8. The source for the payment of dividends is the Company's profit after taxation (the Company's net profit). The Company's net profit is determined according to the data of the Company's accounting records. The dividends can be paid by the Company out of undistributed profit for previous years.
  - 15.9. The Company is entitled, by results of the first quarter, half, nine months of the financial year and (or) by results of the financial year, to adopt a resolution (announce) about the payment of dividends under placed shares, unless otherwise is established by the federal Law "On Joint Stock Companies." The resolution on the payment (announcement) of dividends by results of the first quarter, half and nine months of the financial year can be adopted in the course of three months after the end of a corresponding period. The Company is obliged to pay the dividends announced with regard to the shares of each category (type).
  - 15.10. The resolution on the payment of dividends, amount and form of their payment is to be adopted by the Company's General Meeting of Shareholders . The amount of dividends cannot be more than that recommended by the Company's Board of Directors. The announced dividends by results of the first quarter, half, nine months of the financial year and (or) by results of the financial year must be paid not later than on 31 December of the year following the reporting one.
  - 15.11. The list of persons entitled to obtain dividends is to be made up at the date of the compilation of a list of persons entitled to participate in the General Meeting of Shareholders , at which the resolution is to be adopted on the payment of corresponding dividends. For the compilation of the list of persons entitled to obtain dividends, the nominal holder of shares submits the data about persons, in the interest of which he possesses the shares.
  - 15.12. The Company is not entitled to announce and pay dividends:
    - 15.12.1. till the full payment of all the Company's nominal capital;
    - 15.12.2. till the redemption of all the shares, which must be redeemed pursuant to the requirements of the Federal Law "On Joint Stock Companies";
    - 15.12.3. if at the date of the adoption of the resolution about the payment of dividends it meets the insolvency (bankruptcy) test pursuant to the legislation of the Russian Federation on insolvency (bankruptcy) or if the specified features are sure to arise in the Company as a result of the payment of dividends;
    - 15.12.4. if at the date of the adoption of the resolution about the payment of dividends the Company's net asset worth is less than its nominal capital, and the reserve fund, and the excess over the par value of the liquidation amount of placed privileged shares determined by the charter or if it is sure to become less than their amount as a result of adopting such a resolution.
    - 15.12.5. in other cases foreseen by the legislation of RF.
  - 15.13. The dividends are not paid by the shares, which were not outstanding or which are in the Company's balance-sheet.

## **16. MANAGING BODIES OF THE COMPANY**

- 16.1. The Company's managing bodies are:

- 16.1.1. General Meeting of Shareholders;
  - 16.1.2. Board of Directors;
  - 16.1.3. Sole executive body – General Director.
- 16.2. In order to exercise control over the economic and financial activities in the Company, the Revision Commission is to be elected.

## **17. GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY**

- 17.1. The supreme managing body of the Company is the General Meeting of Shareholders.  
The Company is obliged to conduct the annual General Meeting of Shareholders on a yearly basis within the terms not earlier than 2 months after and not later 6 months after the end of the financial year. The General Meeting of Shareholders can be conducted in the form of :
- A meeting (joint presence) of shareholders for the discussion of the items of the agenda and for the adoption of resolutions on the matters put to vote without any preliminary forwarding (handing in) of voting ballots prior to the conduct of the General Meeting of Shareholders ;
  - A meeting (joint presence) of shareholders for the discussion of the items of the agenda and for the adoption of resolutions on the matters put to vote with the preliminary forwarding (handing in) of voting ballots prior to the conduct of the General Meeting of Shareholders (in cases foreseen by law);
  - An absent voting (without any joint presence of shareholders for the discussion of the items of the agenda and for the adoption of the resolution on the matters put to vote).

### **Competence of the Company's General Meeting of Shareholders**

- 17.2. To the competence of the General Meeting of Shareholders one refers:
- 17.2.1. bringing in alterations and amendments in the Company's Charter or ratification of the Company's Charter in a new version;
  - 17.2.2. reorganization of the Company;
  - 17.2.3. liquidation of the Company, appointment of the liquidation commission and ratification of an intermediary and definitive liquidation balance-sheets;
  - 17.2.4. determination of the quantitative composition of the Company's Board of Directors, election of its members and early annulment of their powers, determination of the amount and order of disbursing remunerations to the members of the Board of Directors and/or compensation of expenses related to the performance by them of their functions;
  - 17.2.5. determination of the quantity, par value, category (type) of declared shares and rights conceded by these shares;
  - 17.2.6. increase of the Company's nominal capital by means of increasing the par value of shares;
  - 17.2.7. decrease of the Company's nominal capital by means of decreasing the par value of shares, by means of the acquisition by the Company of part of shares with the purpose of the reduction of their total quantity, as well as by means of retirement of shares acquired or redeemed by the Company;
  - 17.2.8. election of the members of the Company's Revision Commission and early annulment of their powers, determination of the amount and order of disbursing remunerations to the members of the Revision Commission and/or compensation of expenses related to the performance by them of their functions;
  - 17.2.9. ratification of the Company's auditor;
  - 17.2.10. disbursement (announcement) of dividends by results of the first quarter, half, nine months of the financial year;
  - 17.2.11. ratification of annual reports, of annual accounting records, including profit and loss reports (profit and loss accounts) of the Company, as well as distribution of profit (including the disbursement (announcement) of dividends, with the exception of the profit distributed as dividends by results of the first quarter, half, nine months of the financial year) and losses of the Company by results of the financial year;
  - 17.2.12. determination of the order of conducting the General Meeting of Shareholders ;
  - 17.2.13. election of the members of the counting commission and early annulment of their powers;
  - 17.2.14. split-up and consolidation of shares;
  - 17.2.15. adoption of resolutions on the approval of transactions in cases foreseen by the Federal

- Law “On Joint Stock Companies”;
- 17.2.16. adoption of resolutions on the approval of major transactions in cases foreseen by the Federal Law “On Joint Stock Companies”;
  - 17.2.17. acquisition by the Company of placed shares in cases foreseen by this Charter and by the Federal Law “On Joint Stock Companies”;
  - 17.2.18. adoption of the resolution on participation in financial and industrial groups, associations and other alliances of commercial organizations;
  - 17.2.19. ratification of internal documents regulating the activities of the Company’s bodies;
  - 17.2.20. adoption of the resolution on the transfer of powers of the sole executive body of the Company to a managing company or to a manager;
  - 17.2.21. adoption of the resolution on early annulment of powers of the managing company or of the manager;
  - 17.2.22. in case of the receipt of voluntary or obligatory proposal, adoption of resolutions on the matters specified in the Federal Law “On Joint Stock Companies”;
  - 17.2.23. adoption of the resolution on the conduct by the Company’s Revision Commission of a checkup (revision) of financial and economic activities of the Company;
  - 17.2.24. adoption of the resolution on the reimbursement of expenses for the preparation and conduct of an extraordinary General Meeting of Shareholders in case foreseen by the Federal Law “On Joint Stock Companies”;
  - 17.2.25. settlement of other matters foreseen by the Federal Law “On Joint Stock Companies.”
- 17.3. The General Meeting of Shareholders is not entitled to consider and adopt resolutions on the matters not referred to its competence by the Federal Law “On Joint Stock Companies” and by the Company’s Charter.
  - 17.4. The matters referred to the competence of the General Meeting of Shareholders cannot be passed over for the adoption of a resolution to the Company’s executive body.
  - 17.5. The matters referred to the competence of the General Meeting of Shareholders cannot be passed over for the adoption of a resolution to the Company’s Board of Directors, with the exception of the matters foreseen by the Law.
  - 17.6. The General Meeting of Shareholders is entitled neither to adopt resolutions on the matters not included into the agenda of the General Meeting of Shareholders, nor alter the agenda.
  - 17.7. The General Meeting of Shareholders is headed by the Chairman of the Company’s Board of Directors or by any other person elected by the Company’s Board of Directors.
  - 17.8. The Secretary of the General Meeting of Shareholders is appointed by resolution of the Company’s Board of Directors. Functions of the secretary of the General Meeting of Shareholders can be performed by the Secretary of the Company’s Board of Directors, by resolution of the Company’s Board of Directors. In case the secretary of the General Meeting of Shareholders fails to appear at the General Meeting of Shareholders, the Board of Directors shall appoint a new Secretary of the General Meeting of Shareholders.

### **Order of the adoption of resolutions by the Company’s General Meeting of Shareholders**

- 17.9. The resolution of the General Meeting of Shareholders on the matter put to vote is adopted by the majority of votes of shareholders owning voting shares in the Company and participating in the General Meeting of Shareholders, unless otherwise is established for the adoption of a resolution by the Federal Law “On Joint Stock Companies.”
- 17.10. The resolution on the matters specified in Sub-paragraphs 17.2.2., 17.2.6. and 17.2.14-17.2.20 hereof is to be adopted by the General Meeting of Shareholders only by proposal of the Company’s Board of Directors.
- 17.11. Resolutions on the matters specified in Sub-paragraphs 17.2.1 – 17.2.3, 17.2.5 and 17.2.17 hereof are to be adopted by the General Meeting of Shareholders in the Company by a majority making up three fourths of votes of shareholders owning voting shares and participating in the Company’s General Meeting of Shareholders.
- 17.12. The resolution on the transformation of the Company into a non-commercial partnership is to be adopted by proposal of the Company’s Board of Directors by a unanimous decision of all the Company’s shareholders.
- 17.13. The voting at the General Meeting of Shareholders is carried out according to the principle “one share means one vote”, with the exception of conducting a cumulative voting in cases foreseen by the Federal Law “On Joint Stock Companies.”

- 17.14. Any shareholder is entitled to challenge in court any resolution adopted by the General Meeting of Shareholders with the violation of requirements of the Russian Federation, of this Charter, if he did not participate in the General Meeting of Shareholders or if he voted against the adoption of such a resolution and his rights and legal interests are violated with such a resolution. Such a claim can be submitted to the court in the course of 6 (six) months following the date, when the shareholder got to know or was supposed to get to know about the adopted resolution.
- 17.15. In any resolution on some certain type of matters being in the competence of the Company's General meeting there can be an indication about the term, on the expiry of which such a resolution is not to be fulfilled. The specified matters and the course of the term are determined pursuant to the Federal Law "On Joint Stock Companies."

### **Information about the conduct of the Company's General Meeting of Shareholders**

- 17.16. The notification about the conduct of the General Meeting of Shareholders is to be made not later than 30 (thirty) days prior to its conduct.
- The notification about the conduct of an extraordinary General Meeting of Shareholders, the agenda of which contains the item about the election of the Company's Board of Directors or the matter about the Company's reorganization in the form of a merger, split-off or separation and about the election of the board of directors of the company being created, as well as of the revision commission or of a candidate to occupy the position of an inspector, must be made not later than 70 (seventy) days prior to the date of its conduct.
- In the terms specified the notification about the conduct of the General Meeting of Shareholders must be handed over to each person specified in the list of persons entitled to participate in the General Meeting of Shareholders against signature or forwarded to each of the persons specified in the list of persons entitled to participate in the General meeting shareholders by a registered letter.
- The Company is entitled to inform shareholders additionally of the conduct of the General Meeting of Shareholders through mass media (television, radio), as well as through Internet, or in any other way.
- 17.17. In the notification about the conduct of the General Meeting of Shareholders the following is to be specified:
- Full proprietary designation of the Company and location of the Company;
  - Form of conducting the General Meeting of Shareholders (meeting or absentee voting);
  - Date, place, time of conducting the General Meeting of Shareholders and in case when pursuant to the federal Law "On Joint Stock Companies" the filled in ballots can be forwarded to the Company, the postal address, to which the filled in ballots can be forwarded, or in case the General Meeting of Shareholders is to be conducted in the form of absentee voting, the date of accomplishment of the receipt of voting ballots and postal address, to which filled in ballots are to be forwarded;
  - Date of the compilation of the list of persons entitled to participate in the General Meeting of Shareholders ;
  - Agenda of the General Meeting of Shareholders ;
  - Order of getting familiarized with the information (materials) to be submitted during the preparation for the conduct of the General Meeting of Shareholders, and address (addresses), where it is possible to get familiarized with it;
  - Time of commencement of registration of persons participating in the General Meeting of Shareholders being conducted in the form of a meeting;
  - Other information foreseen by current legislation of the Russian Federation.
- 17.18. To the information (materials) to be submitted to persons entitled to participate in the General Meeting of Shareholders during the preparation for the conduct of the Company's General Meeting of Shareholders, one refers annual reports, annual accounting records, including the auditor's conclusion, the report of the revision commission by results of a checkup of annual accounting records, information about candidate (candidates) to the Company's executive bodies, Board of Directors and to the Counting Commission of the Company, to the Revision Commission and Auditors of the Company, draft of alterations and amendments to be brought in the Company's Charter, or a draft of the Company's Charter in a new version, drafts of the Company's internal documents to be ratified by the General Meeting of Shareholders, drafts of resolutions of the General Meeting of Shareholders, as well as other documents pursuant to the requirements of law ratified by the resolution of the Board of Directors.

## **Preparation for the conduct of the Company's General Meeting of Shareholders**

- 17.19. During the preparation for the conduct of the General Meeting of Shareholders the Company's Board of Directors determines:
- The form of conducting the General Meeting of Shareholders (meeting or absentee voting);
  - Date, place, time of conducting the General Meeting of Shareholders, the postal address, to which the filled in ballots can/must be forwarded;
  - Date of compilation of the list of persons entitled to participate in the General Meeting of Shareholders;
  - Agenda of the General Meeting of Shareholders;
  - Order of informing the shareholders of the conduct of the General Meeting of Shareholders;
  - List of information (materials) to be submitted to shareholders during the preparation for the conduct of the General Meeting of Shareholders;
  - Form and text of a voting ballot in case of voting with ballots.
- 17.20. To the agenda of the annual General Meeting of Shareholders one must necessarily include the items about the election of the Company's Board of Directors, of the Company's Revision Commission, about the ratification of the Company's auditor, as well as the matters foreseen by the Federal Law "On Joint Stock Companies."

## **Proposals to the agenda of the General Meeting of Shareholders**

- 17.21. Any shareholders (shareholder) being in the aggregate the owners of at least 2 (two) per cent of the Company's voting shares are (is) entitled to bring in the matter into the agenda of the annual General Meeting of Shareholders and to set out candidates to the Board of Directors and to the Revision Commission of the Company, the number of which cannot exceed the quantitative composition of the corresponding body determined herein. Such proposals must be received by the Company not later than 30 (thirty) days after the end of the financial year.
- 17.22. In case the proposed agenda of an extraordinary General Meeting of Shareholders contains the item about the election of members of the Board of Directors, the shareholders in the Company being in the aggregate the owners of at least 2 (two) per cent of the Company's voting shares, are entitled to propose candidates for election to the Board of Directors, the number of which cannot exceed the quantitative composition of the Board of Directors. Such proposals are to be received by the Company at least 30 (thirty) days prior to the conduct of an extraordinary General Meeting of Shareholders.
- 17.23. Proposals to the agenda of the General Meeting of Shareholders and proposals on the nomination of candidates to managing and other bodies of the Company can be brought in, as well as requirements about the conduct of an extraordinary General Meeting of Shareholders can be submitted by means of:
- Forwarding via mail communication to the Company's location address specified in this Charter, or forwarding via mail communication to other postal addresses specified in the Company's Charter or in any other internal document of the Company regulating the activities of the General Meeting of Shareholders;
  - Handing in, against signature, to the person occupying the position (performing the functions) of the Company's sole executive body, to the Chairman of the Board of Directors or to any other person authorized, on behalf of the Company, to accept correspondence addressed to the Company;
- The date of accepting the proposal into the agenda of the General Meeting of Shareholders, the proposal on the nomination of candidates to managing and other bodies of the Company or the request to conduct an extraordinary General Meeting of Shareholders is:
- In case of forwarding via mail communication – the date specified in the date stamp impression confirming the date of dispatching the mailing unit;
  - In case of handing in against signature – the date of such handing in;
  - In case of any other way of forwarding, which is determined by the Company's internal documents regulating the activities of the General Meeting of Shareholders, – the date determined by the Company's internal document regulating the activities of the General Meeting of Shareholders.
- The proposals to the agenda of the General Meeting of Shareholders and/or requests about the conduct of an extraordinary General Meeting of Shareholders are recognized as received from those shareholders who (whose representatives) signed them.
- 17.24. The proposal about bringing in items to the agenda of the General Meeting of Shareholders must contain the formulation of each proposed item. The proposal about bringing in items into the agenda of

the General Meeting of Shareholders may contain the formulation of a resolution under each proposed item.

The proposals on the bringing in of items into the agenda of the General Meeting of Shareholders and on nomination of candidates are to be made in writing with the indication of the name (designation) of shareholders (shareholder) submitting it, quantity and category (type) of shares owned by them and are to be signed by the shareholders (shareholder). In case the proposal into the agenda of the General Meeting of Shareholders or a request about the conduct of an extraordinary General Meeting of Shareholders is signed by the shareholder (his representative), rights for the shares of which are taken into consideration at the securities account in the depository, then one is to annex to such a proposal (request) an excerpt from the shareholder's securities account in the depository carrying out the registration of rights for the specified shares.

- 17.25. The Board of Directors is obliged to consider the received proposals and to adopt the resolution on their inclusion into the agenda of the General Meeting of Shareholders or on the refusal to include them into the specified agenda not later than 5 (five) days after the accomplishment of the terms established by the Charter of forwarding to the Company of proposals to the agenda of the annual General Meeting of Shareholders and proposals about the nomination of candidates to the Board of Directors and the Revision Commission of the Company.
- 17.26. The matter proposed by shareholders (shareholder) is to be included into the agenda of the General Meeting of Shareholders, the same as nominated candidates are to be included into the list of candidatures for voting regarding the elections to a corresponding body of the Company, with the exception of cases, if:
- shareholders (shareholder) failed to observe the terms, established by the Charter, of bringing in items into the agenda and of nominating candidates for the annual General Meeting of Shareholders;
  - shareholders (shareholder) failed to observe the terms, established by the Charter, of nominating candidates for the election of members of the Board of Directors at an extraordinary General Meeting of Shareholders;
  - shareholders (shareholder) are not the owners of the quantity of voting shares in the Company foreseen by the Federal Law "On Joint Stock Companies";
  - the proposal does not comply with requirements foreseen by the Federal Law "On Joint Stock Companies", by the Company's Charter, by the Company's internal documents regulating the activities of the Company's General Meeting of Shareholders;
  - the matter proposed for bringing into the agenda of the General Meeting of Shareholders does not refer to its competence by law and by the Company's Charter and (or) does not comply with requirements of the Federal Law "On Joint Stock Companies" and of other legal acts of the Russian Federation.
- 17.27. The motivated resolution of the Board of Directors about the refusal to include the proposed item into the agenda of the General Meeting of Shareholders or of a candidate to the list of candidatures for the voting on the elections to the Company's corresponding body is to be forwarded to the shareholders (shareholder), who have brought in the item or nominated the candidate, not later than 3 (three) days after the date of its receipt.
- 17.28. The Board of Directors is not entitled to bring in alterations into the formulations of matters proposed for the inclusion into the agenda of the General Meeting of Shareholders, and into the formulations of resolutions under such items.
- 17.29. Apart from the items proposed by shareholders for the inclusion into the agenda of the General Meeting of Shareholders, as well as in case of absence of such proposals, absence or insufficient quantity of candidates proposed by shareholders for the formation of a corresponding body, the Board of Directors is entitled to include into the agenda of the General Meeting of Shareholders any items or candidates into the list of candidatures at its discretion.

### **Extraordinary General meeting of the Company's shareholders**

- 17.30. An extraordinary General Meeting of Shareholders is conducted by resolution of the Board of Directors pursuant to its own initiative, to the request of the Company's Revision Commission, of the Company's auditor, as well as of shareholders (shareholder) owning at least 10 (ten) per cent of voting shares in the Company at the date of making such a claim.

The calling of an extraordinary General Meeting of Shareholders by request of the Company's Revision Commission, of the Company's auditor or of shareholders (shareholder) owning at least 10 (ten) per cent of voting shares in the Company is carried out by the Board of Directors.

- 17.31. In the request about the conduct of an extraordinary General Meeting of Shareholders one must formulate the items to be brought into the agenda of the meeting. In the request about the conduct of an extraordinary General Meeting of Shareholders there can be formulations of resolutions on each of the items, as well as the proposal about the form of conducting the General Meeting of Shareholders. In case the request about the calling of an extraordinary General Meeting of Shareholders contains a proposal about the nomination of candidates, such a proposal is regulated by the corresponding provisions of the Federal Law “On Joint Stock Companies”, of the Company’s Charter and of the Company’s internal document regulating the activities of the Company’s General Meeting of Shareholders.
- 17.32. In the course of 5 (five) days after making a request by the Company’s Revision Commission, by the Company’s auditor or by shareholders (shareholder) owning at least 10 (ten) per cent of voting shares in the Company about the calling of an extraordinary General Meeting of Shareholders, the Board of Directors is to adopt the resolution on the calling of an extraordinary meeting of shareholders or on the refusal to call it.
- The resolution of the Board of Directors on the calling of an extraordinary General Meeting of Shareholders or a motivated resolution on the refusal to call it is to be forwarded to persons requiring its calling not later than 3 (three) days after the adoption of such a resolution.
- The resolution about the refusal to call an extraordinary General Meeting of Shareholders by request of the Company’s Revision Commission, of the Company’s auditor or of shareholders (shareholder) owning at least 10 (ten) per cent of voting shares in the Company can be adopted only on the grounds established by the Federal Law “On Joint Stock Companies”, by the Company’s Charter and by the Company’s internal document regulating the activities of the General Meeting of Shareholders.
- The resolution of the Board of Directors about the refusal to call an extraordinary General Meeting of Shareholders can be challenged in court.
- 17.33. An extraordinary General Meeting of Shareholders being called by request of the Company’s Revision Commission, of the Company’s auditor or of shareholders (shareholder) owning at least 10 (ten) per cent of voting shares in the Company must be conducted in the course of 40 (forty) days after making a claim about the conduct of an extraordinary General Meeting of Shareholders.
- If the proposed agenda of an extraordinary General Meeting of Shareholders contains the item about the election of members of the Company’s Board of Directors, then such General Meeting of Shareholders must be conducted in the course of 70 (seventy) days after making a claim about the conduct of the extraordinary General Meeting of Shareholders.
- The date for making a claim about the calling of an extraordinary General Meeting of Shareholders is:
- In case of forwarding by means of an ordinary letter or by means of an ordinary mailing unit – the date specified in the date stamp impression confirming the date of receiving the mailing unit by the Company;
  - In case of forwarding by means of a registered letter or by means of any other registered mailing unit - the date of handing in of the mailing unit to the Company against signature;
  - In case of handing in against signature – the date of such handing in.
- 17.34. In case within the term established by the Federal Law “On Joint Stock Companies” no resolution is adopted by the Board of Directors about the calling of an extraordinary General Meeting of Shareholders or if the resolution is adopted about the refusal to call it, the extraordinary General Meeting of Shareholders can be called by bodies and persons requiring its calling.
- In these cases bodies and persons calling an extraordinary General Meeting of Shareholders possess the powers foreseen by the Federal Law “On Joint Stock Companies”, necessary for the calling and conduct of the General Meeting of Shareholders.
- In this case expenses for the preparation and conduct of the extraordinary General Meeting of Shareholders can be reimbursed by resolution of the General Meeting of Shareholders at the Company’s expense.

### **Quorum of the General Meeting of Shareholders of the Company**

- 17.35. The General Meeting of Shareholders is legitimate (has the quorum), if it was attended by shareholders owning in the aggregate more than half of the votes of listed voting shares in the Company. The General Meeting of Shareholders conducted in the form of a meeting is to be opened, if by the time of the commencement of its conduct there is a quorum at least with regard to one of the items included into the agenda of the General meeting. The registration of persons entitled to participate in the General

Meeting of Shareholders , who have not registered themselves for participation in the General meeting prior to its opening, is to be finished not earlier than after the accomplishment of the discussion of the last item of the agenda of the General Meeting of Shareholders , with regard to which quorum is present. In case there is no quorum for the conduct of the annual General Meeting of Shareholders it is necessary to conduct a repeated General Meeting of Shareholders with the same agenda. In case there is no quorum for the conduct of an extraordinary General Meeting of Shareholders , by resolution of the Board of Directors one can conduct a repeated General Meeting of Shareholders with the same agenda. A repeated General Meeting of Shareholders is legitimate (has a quorum), if it is attended by shareholders possessing in the aggregate at least 30 (thirty) per cent of votes of placed voting shares in the Company. The notification about the repeated General Meeting of Shareholders , handing in, forwarding and publication of ballots is carried out in the order foreseen by the Federal Law “On Joint Stock Companies”, by the Company’s Charter and by the Provisions regulating the activities of the General Meeting of Shareholders .

Shareholders, who have registered themselves for participation in the General Meeting of Shareholders being conducted in the form of a meeting (joint presence) of shareholders for the discussion of the items of the agenda and for the adoption of resolutions on the matters put to vote without any preliminary forwarding (handing in) of voting ballots prior to the conduct of the General Meeting of Shareholders , are considered to have taken part in such a meeting.

Those shareholders are considered to have taken part in the General Meeting of Shareholders being conducted in the form of a meeting (joint presence) of shareholders for the discussion of the items of the agenda and for the adoption of resolutions on the matters put to vote with preliminary forwarding (handing in) of voting ballots prior to the conduct of the General Meeting of Shareholders , who have registered themselves for participation in it, and those shareholders, whose ballots are received not later than 2 (two) days before the date of the conduct of the General Meeting of Shareholders .

Those shareholders are considered to have taken part in the General Meeting of Shareholders being conducted in the form of absentee voting, whose ballots were received prior to the date of the accomplishment of ballots receipt.

- 17.36. The persons, who have registered themselves for participation in the General Meeting of Shareholders , are entitled to vote on all the items of the agenda prior to its closure (before the commencement of votes counting on the items of the agenda, if the adopted resolutions are announced at the General Meeting of Shareholders ).
- 17.37. The persons (their representatives) entitled to participate in the annual General Meeting of Shareholders , as well as in any extraordinary General Meeting of Shareholders being conducted in the form of joint presence of shareholders for the discussion of the items of the agenda and for the adoption of resolutions on the matters put to vote with preliminary forwarding (handing in) of ballots prior to the conduct of the General Meeting of Shareholders , whose ballots were received not later than two days prior to the date of the conduct of the General Meeting of Shareholders , are entitled to attend the General Meeting of Shareholders .
- 17.38. The record of proceedings of the General Meeting of Shareholders is to be made up not later than 15 (fifteen) days after the closure of the General Meeting of Shareholders in two counterparts. Both counterparts are to be signed by the Chairman of the General Meeting of Shareholders and by the Secretary of the General Meeting of Shareholders .

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

- 18.1. The Company’s Board of Directors carries out general management of the Company’s activities, with the exception of the settlement of matters referred by the Federal Law “On Joint Stock Companies” and by this Charter to the competence of the Company’s General Meeting of Shareholders .
- 18.2. The Company’s Board of Directors consists of 9 (nine) members. The Board of Directors acts pursuant to this Charter and to the Provisions on the Board of Directors being ratified by the General Meeting of Shareholders .
- 18.3. The following matters are referred to the competence of the Company’s Board of Directors:
  - 18.3.1. determination of the Company’s priority lines of business and ratification of perspective plans of their realization, as well as approval of the Company’s development strategy, control over its fulfillment and evaluation of its effectiveness;
  - 18.3.2. calling of the annual and extraordinary general meetings of shareholders of the Company, with the exception of cases foreseen by the Federal Law “On Joint Stock Companies”;
  - 18.3.3. ratification of the agenda of the General Meeting of Shareholders ;

- 18.3.4. determination of the date of the compilation of the list of persons entitled to participate in the General Meeting of Shareholders , and other matters referred to the competence of the Company's Board of Directors pursuant to provisions of the Federal Law "On Joint Stock Companies" and related to the preparation and conduct of the General Meeting of Shareholders ;
- 18.3.5. preliminary ratification of annual and intermediary reports on the results of the Company's activities, as well as of other documents foreseen by the Company's internal Provisions;
- 18.3.6. submission for consideration by the General Meeting of Shareholders of the matters foreseen by Sub-Paragraphs 17.2.2., 17.2.6. and 17.2.14-17.2.20 hereof;
- 18.3.7. increase of the Company's nominal capital by means of placing additional shares within the limits of the quantity and categories (types) of declared shares at the expense of the Company's assets, when the placement of additional shares is carried out by means of their distribution among shareholders;
- 18.3.8. increase of the Company's nominal capital by means of placing additional ordinary shares within the limits of the quantity of declared shares of this category (type);
- 18.3.9. placement of bonds and of other equity securities, which can be converted into ordinary shares, in cases foreseen by the Federal Law "On Joint Stock Companies";
- 18.3.10. determination of the price (monetary value) of assets, placing price and redemption price of equity securities in cases foreseen by the Federal Law "On Joint Stock Companies";
- 18.3.11. ratification of the report on the results of the acquisition of shares acquired pursuant to the Federal Law "On Joint Stock Companies";
- 18.3.12. acquisition of shares placed by the Company pursuant to the Federal Law "On Joint Stock Companies";
- 18.3.13. acquisition of bonds and other equity securities placed by the Company in cases foreseen by the Federal Law "On Joint Stock Companies";
- 18.3.14. formation of the Company's collegial executive body and early annulment of its powers, ratification of terms and conditions of the agreement concluded with the members of the collegial executive body;
- 18.3.15. formation of the Company's sole executive body and early annulment of its powers, ratification of terms and conditions of the agreement concluded with the sole executive body or with a managing company (in case the General Meeting of Shareholders adopts a resolution in the transfer of powers of the Company's sole executive body to a managing company), including terms and conditions about remuneration and other payments, determination of the person authorized to sign the agreement on the Company's behalf with the sole executive body or with a managing company;
- 18.3.16. suspension of powers of the managing company or of a manager and adoption of the resolution on the formation of a provisional sole executive body;
- 18.3.17. election of the Secretary of the Board of Directors and annulment of his powers, ratification of systems of motivations and of terms and conditions of an agreement with him;
- 18.3.18. recommendations on the amount of remunerations and compensations to be paid to the members of the Company's Revision Commission and determination of the amount of remuneration for the services of an auditor;
- 18.3.19. recommendations to the General Meeting of Shareholders regarding the amount of the dividend on shares and the order of its payment;
- 18.3.20. use of the reserve fund; ratification of the order of formation and amounts of withholdings to other funds of the Company, use of the specified funds;
- 18.3.21. ratification of documents determining the rules and requirements to the disclosure of information about the Company; ratification of documents on the use of information about the Company's activities, about the Company's securities and transactions with them, which is not publicly accessible and the disclosure of which may exert a significant influence over the market value of the Company's securities;
- 18.3.22. ratification of documents determining the internal control procedures over the Company's financial and economic activities; ratification of the Company's internal documents, with the exception of internal documents regulating the activities of the Company's bodies being ratified by resolution of the General Meeting of Shareholders , as well as of other internal documents of the Company, which ratification is referred by the Charter to the competence of the sole executive body of the Company, bringing in alterations and amendments to these documents;

- 18.3.23. ratification of the Company's investment policy and alterations to it;
  - 18.3.24. determination of the principles of managerial accounting and ratification of principles for the construction of the reporting system about the Company's activities, including the financial system, control and evaluation of the effectiveness of these systems;
  - 18.3.25. creation of committees and commissions of the Board of Directors, ratification of provisions about them, determination of their quantitative and personal composition, early annulment of powers of the members of committees and commissions of the Board of Directors, regulation of their activities; determination of the amount of remuneration, ratification of the compensation for expenses incurred by the members of committees and commissions of the Board of Directors not being the members of the Board of Directors related to the performance by them of their duties; ratification of terms and conditions of agreements concluded with them, as well as the determination of a person authorized to sign agreements with the members of committees and commissions on the Company's behalf; election (re-election) of chairmen of committees and commissions of the Board of Directors;
  - 18.3.26. creation and liquidation of affiliates, opening and liquidation of representative offices of the Company, ratification of provisions on affiliates and representative offices, bringing in alterations and amendments to them, determination of candidatures for the appointment to the positions of the heads of affiliates and representative offices;
  - 18.3.27. bringing in alterations into the Company's Charter related to the creation of affiliates, opening of representative offices of the Company and with their liquidation, as well as amendments related to the increase of the Company's nominal capital by results of the placement of shares pursuant to the Federal Law "On Joint Stock Companies";
  - 18.3.28. adoption of resolutions on the approval of major transactions related to the acquisition and alienation of assets by the Company, in cases foreseen by the Federal Law "On Joint Stock Companies";
  - 18.3.29. adoption of resolutions on the approval of transactions foreseen by the Federal Law "On Joint Stock Companies";
  - 18.3.30. ratification of the Company's registrar and terms and conditions of an agreement with him, as well as cancellation of the agreement with him;
  - 18.3.31. recommendation to the General Meeting of Shareholders on the order of distributing the profit and losses of the Company by results of the financial year;
  - 18.3.32. recommendation to the General Meeting of Shareholders on the decrease of the Company's nominal capital to the amount, which is less than the value of its net assets, if by results of an audit checkup the value of the Company's net assets turns out to be less than its nominal capital;
  - 18.3.33. adoption of resolutions on participation and on the cessation of the Company's participation in other organizations, with the exception of organizations specified in Paragraph 17.2.18 hereof;
  - 18.3.34. ratification of the candidature of an independent appraiser in cases, when the involvement of an independent appraiser is obligatory pursuant to current legislation.
  - 18.3.35. other matters foreseen by current legislation and by this Charter.
- 18.4. The matters referred to the competence of the Board of Directors cannot be passed over for the consideration to the General Director.
- 18.5. The quorum for the conduct of the session of the Company's Board of Directors is the presence of at least half of the members of the Company's Board of Directors. During the determination of the presence of the quorum and results of voting on the items of the agenda one takes into consideration the written opinion of the member of the Board of Directors absent at the session of the Board of Directors.
- 18.6. Resolutions of the Board of Directors on the matters specified in Sub-Paragraphs 18.3.1., 18.3.21. hereof are to be adopted by obligatory majority making up two thirds of votes of the members of the Board of Directors participating in the session.
- 18.7. Resolutions of the Board of Directors on the matters specified in Sub-Paragraphs 18.3.7 – 18.3.10., 18.3.30, 18.3.33 hereof are to be adopted unanimously by all the elected members of the Board of Directors, in this case the votes of exiting members of the Board of Directors are disregarded.
- 18.8. While settling the matters at the session of the Company's Board of Directors, each member of the Company's Board of Directors possesses one vote. The transfer of the right to vote by any member of the Company's Board of Directors to any other person, including another member of the Company's Board of Directors, is not allowed.
- In case of parity of votes, while making decisions at the session of the Company's Board of Directors,

the vote of the Chairman of the Board of Directors is a casting one.

- 18.9. The resolution of the Board of Directors can be adopted by means of absentee voting (by poll). Absentee voting can be conducted in the form of document exchange by means of mail or facsimile communication providing for authenticity of transferred and received messages with their subsequent confirmation with original documents.

### **Election of the Company's Board of Directors**

- 18.10. Members of the Board of Directors are elected by the General Meeting of Shareholders by means of cumulative voting in the order foreseen by the Federal Law "On Joint Stock Companies" and by this Charter, for the term till the following annual General Meeting of Shareholders. In case of cumulative voting the number of votes belonging to each shareholder is multiplied by the number of persons, who are to be elected to the Company's Board of Directors, and the shareholder is entitled to give the votes received this way fully for one candidate or to distribute them among two or more candidates.
- 18.11. If the annual General Meeting of Shareholders was not conducted within the terms established hereby, the powers of the Board of Directors shall cease, with the exception of powers on the preparation, calling and conduct of the annual General Meeting of Shareholders.
- 18.12. The resolution of the General Meeting of Shareholders on early cessation of powers can be adopted only with regard to all the members of the Company's Board of Directors. In case of early cessation of powers of the Board of Directors the powers of the newly elected composition of the Board of Directors are valid till the moment of election (re-election) of the new composition of the Board of Directors at the nearest in term annual General Meeting of Shareholders.
- 18.13. Only a natural person can be a member of the Board of Directors. It is not necessary for a member of the Board of Directors to be a shareholder in the Company. The persons elected to the Board of Directors can be reelected any unlimited number of times. The requirements for candidate members of the Company's Board of Directors, including independent members, are determined by the internal Provisions of the Company on the Board of Directors of the Company.
- 18.14. In case the number of the members of the Company's Board of Directors becomes less than the quantity making up the quorum, the Company's Board of Directors is obliged to adopt a resolution on the conduct of an extraordinary General Meeting of Shareholders for the election of a new composition of the Company's Board of Directors. The remaining members of the Company's Board of Directors are entitled to adopt the resolution only on the calling of such an extraordinary General Meeting of Shareholders.
- 18.15. The session of the Company's Board of Directors is called by the Chairman of the Company's Board of Directors by his own initiative, by request of a member of the Board of Directors, of the Revision Commission or of the Company's auditor, of the Company's general Director, as well as of shareholders of the Company owning 2 (two) and more per cent of voting shares in the Company. The order of calling and conducting the sessions of the Company's Board of Directors is determined by the Company's Charter and by the Company's internal Provisions on the Board of Directors of the Company.

### **Chairman of the Board of Directors of the Company**

- 18.16. The Chairman of the Board of Directors is elected by members of the Board of Directors out of their number by the majority of votes of all the members of the Board of Directors; and the votes of exiting members of the Board of Directors are disregarded.
- 18.17. The Board of Directors is entitled, at any time, to reelect the Chairman. Such a resolution is adopted by the majority of votes of all the members of the Board of Directors, and the votes of exiting members of the Board of Directors are disregarded.
- 18.18. The Chairman of the Board of Directors organizes its work, adopts a resolution on the from of the session of the Board of Directors, calls the sessions of the Board of Directors and presides over them, organizes the taking of minutes at the sessions, performs other functions foreseen by the legislation of the Russian Federation, by the Charter and by internal Provisions of the Company on the Board of Directors of the Company.
- 18.19. In case of absence of the Chairman of the Board of Directors his functions are to be performed by the Deputy Chairman of the Board of Directors, and in case of absence of the latter – by one of the members of the Board of Directors by resolution of the Company's Board of Directors.

18.20. The Board of Directors elects the Secretary of the Board of Directors, whose functions include the maintenance and compilation of the record of proceedings of the session of the Board of Directors, summing up of the results of voting conducted by poll, as well as settlement of other organizational and technical matters related to the activities of the Company and of the Board of Directors. The Secretary of the Board of Directors can at the same time be the Secretary of the General Meeting of Shareholders.

## 19. EXECUTIVE BODIES OF THE COMPANY

19.1. The management of current affairs of the Company is carried out by the sole executive body of the Company – General Director.

Term of office of the Company's General Director makes up 3 (three) years.

The General Director is elected by the Company's Board of Directors. The Board of Directors is entitled, at any time, to adopt a resolution on early cessation of powers of the General Director.

The Company's General Director in his activities is guided by the legislation of RF, by the Company's Charter, by the provision on the sole executive body of the Company and by the agreement concluded by the General Director with the Company. The agreement with the General Director on behalf of the Company is to be signed by the Chairman of the Company's Board of Directors.

The Company's General Director reports to the Board of Directors and to the General meeting of shareholders and organizes the fulfillment of their resolutions.

19.2. To the competence of the Company's General Director one refers all the matters of managing the daily operations of the Company, with the exception of matters referred by the legislation of RF and by the Company's Charter to the competence of the General Meeting of Shareholders and of the Company's Board of Directors.

19.3. **General Director acts on behalf of the Company without any power of attorney, in particular:**

19.3.1. organizes the fulfillment of the resolutions of the General Meeting of Shareholders, of the Board of Directors of the Company;

19.3.2. carries out current operating control of the Company pursuant to the main objectives of the Company's activities;

19.3.3. ratifies staffing schedule;

19.3.4. administers the Company's assets, in order to provide for its current activities within the limits established by current legislation of the Russian Federation and by this Charter;

19.3.5. represents the Company in all the institutions, enterprises and organizations both in the Russian Federation and outside, including foreign countries;

19.3.6. concludes labor agreements with employees of the Company, applies incentives to them and imposes penalties on them;

19.3.7. issues ordinances and gives instructions necessary for the fulfillment by all the employees of the Company;

19.3.8. represents at the General meetings of shareholders and at the sessions of the Board of Directors the point of view of the Company's executive bodies;

19.3.9. manages production and economic and business activities of the Company;

19.3.10. performs transactions on behalf of the Company, with the exception of cases foreseen by the Federal Law "On Joint Stock Companies" and by this Charter, organizes the performance of obligations assumed by the Company under transactions;

19.3.11. organizes risk management and internal control;

19.3.12. opens accounts in credit establishments in Russian rubles and in foreign currency;

19.3.13. issues powers of attorney on behalf of the Company;

19.3.14. organizes accounting records maintenance of the Company;

19.3.15. submits an annual report and other financial statements to corresponding bodies;

19.3.16. appoints directors of affiliates and representative offices of the Company;

19.3.17. ratifies the report on the results of an issue (additional issue) of securities;

19.3.18. organizes the publication in mass media of the information foreseen by the Federal Law "On Joint Stock Companies" and by other legal acts;

19.3.19. carries out organizational and technical provision of the activities of the General Meeting of Shareholders, of the Board of Directors, of the Revision Commission of the Company;

19.3.20. within the limits of his competence ratifies normative, regulatory, methodical and other

internal documents of the Company regulating production, economic, labor and social relations in the Company;

- 19.3.21. provides for legality of the Company's activities, in particular, provision for the observance of requirements of legislation of RF referring to production and fire safety, state secrets, labor and environmental protection, while executing the Company's production plans;
  - 19.3.22. carries out control over the fulfillment of the Company's obligations to the budget, to other state and municipal authorities, as well as to external organizations, in particular, to counteragents under economic agreements;
  - 19.3.23. performs any other actions necessary to achieve the objectives of the Company's activities and to provide for its normal operation, pursuant to current legislation of the Russian Federation and to this Charter, with the exception of functions attached by the Federal Law "On Joint Stock Companies" and by this Charter to other managing bodies of the Company.
- 19.4. A person being a participant, member of the managing bodies or employee of a legal entity competing with the Company cannot be appointed the Company's General Director.  
Overlapping by the person performing the functions of the General Director of positions in managing bodies of other organizations is allowed only with the consent of the Company's Board of Directors.
- 19.5. By resolution of the General Meeting of Shareholders the powers of the sole executive body of the Company can be passed over to a commercial organization (managing company) or to an individual entrepreneur (manager) under a corresponding agreement.  
The resolution on the transfer of powers of the sole executive body of the Company to a managing company or to a manager is adopted by the General Meeting of Shareholders only by proposal of the Board of Directors.

## **20. RESPONSIBILITY OF THE MEMEBERS OF THE BOARD OF DIRECTORS AND OF THE EXECUTIVE BODIES OF THE COMPANY**

- 20.1. Members of the Company's Board of Directors, General Director, as well as a managing company or a manager, while exercising their rights and performing obligations, must act in the interests of the Company, exercise their rights and perform their obligations regarding the Company conscientiously and sensibly.  
Members of the Company's Board of Directors, members of the collegial executive managing body of the Company (in case of its formation), General Director, as well as the managing company and its officers, the manager are obliged to report to the Company the data about the possession of securities in the Company, about the intention to perform transactions with securities in the Company (not later than 5 (five) days prior to their performance), as well as about actually performed transactions with the Company's securities (not later than 1 (one) day after their performance).
- 20.2. Members of the Company's Board of Directors, General Director, the same as the managing company or the manager bear responsibility to the Company for any losses incurred to the Company due to their guilty actions (negligence), if no other reasons and amount of responsibility are established by the legislation of RF.  
In this case members of the Company's Board of Directors, who voted against the resolution, which caused the infliction of losses to the Company, or who did not participate in the voting, bear no responsibility.
- 20.3. While determining the reasons and amount of responsibility of the members of the Board of Directors and of executive bodies of the Company, one is to take into consideration ordinary course of business and other circumstances being of importance for the case.
- 20.4. In case several persons bear responsibility pursuant to the provisions of this article, their responsibility to the Company is joint and several.
- 20.5. The Company or any shareholder (shareholders) owning in the aggregate at least 1 (one) per cent of placed ordinary shares in the Company is (are) entitled to apply to the court with a lawsuit towards the member of the Board of Directors or towards the executive bodies of the Company, about the reimbursement of losses incurred to the Company, in case foreseen by Paragraph 20.2 hereof.

## **21. REVISION COMMISSION, AUDITOR OF THE COMPANY**

- 21.1. The control over the Company's financial and economic activities is carried out by the Revision

- Commission.
- 21.2. The Revision Commission is elected at the General Meeting of Shareholders of the Company for the term of 1 (one) year in the composition of 3 (three) persons. The shares owned by the members of the Company's Board of Directors or by persons occupying posts in the Company's managing bodies cannot participate in the voting during the election of the members of the Company's Revision Commission.
  - 21.3. Term of the office of the Revision Commission is calculated from the moment of its election by the annual General Meeting of Shareholders till the moment of election (reelection) of the revision commission by the following annual General Meeting of Shareholders .
  - 21.4. The powers of some certain members or of the whole membership of the Revision Commission can be ceased ahead of schedule by resolution of the General Meeting of Shareholders by reasons and in the order foreseen by internal documents of the Company.
  - 21.5. In case the quantity of the members of the Revision Commission becomes less than the half of its quantitative composition foreseen by the Company's Charter, the Company's Board of Directors is obliged to call an extraordinary General Meeting of Shareholders for the election of a new composition of the Revision Commission. The remaining members of the Revision Commission perform their functions till the election of a new composition of the Revision Commission at the extraordinary General Meeting of Shareholders .
  - 21.6. The member of the Revision Commission can be either a shareholder, or any other person proposed by a shareholder. Members of the Company's Revision Commission cannot at the same time be members of the Company's Board of Directors, the sole executive body, as well as occupy any other positions in the Company's managing bodies.
  - 21.7. The Revision Commission elects a chairman and a secretary out of its composition.
  - 21.8. The inspection (revision) of the Company's financial and economic activities is carried out by results of the Company's activities for the year.
  - 21.9. The inspection (revision) of the Company's financial and economic activities is also carried out at any time by initiative or pursuant to the resolution of:
    - The Company's Revision Commission as such;
    - The General Meeting of Shareholders ;
    - The Company's Board of Directors;
    - As well as by request of any shareholder (shareholders) of the Company owning in the aggregate at least 10 (ten) per cent of voting shares in the Company.
  - 21.10. By request of the Company's Revision Commission the persons occupying the positions in the Company's managing bodies are obliged to submit documents about the Company's financial and economic activities.
  - 21.11. The Company's Revision Commission is entitled to require the calling of an extraordinary General Meeting of Shareholders in the order foreseen by the Company's Charter.
  - 21.12. By results of the checkup of the Company's financial and economic activities the Company's Revision Commission makes up conclusions, in which the following information is to be contained:
    - 21.12.1. confirmation of the authenticity of the data contained in reports and in other financial documents of the Company;
    - 21.12.2. information about the facts of violating the order of accounting records maintenance and submission of financial statements established by legal acts of the Russian Federation, as well as violating legal acts of the Russian Federation, while carrying out financial and economic activities.
  - 21.13. The amount of remuneration and compensations of expenses related to the performance by members of the revision commission of their functions is determined by resolution of the Company's General Meeting of Shareholders .
  - 21.14. The order of activities of the Revision Commission under other matters not foreseen by this Charter can be determined by the Company's internal documents.
  - 21.15. The auditor (an individual or an auditing company) of the Company carried out the checkup of the Company's financial and economic activities pursuant to legal acts of the Russian Federation in compliance with an agreement concluded with him.
  - 21.16. The General Meeting of Shareholders ratifies the auditor of the Company. Amount of remuneration for his services is determined by the Board of Directors.
  - 21.17. By results of a checkup of the Company's financial and economic activities the Company's auditor makes up a conclusion, in which the following data are to be contained:
    - 21.17.1. confirmation of the authenticity of the data contained in reports and in other financial

documents of the Company;

- 21.17.2. information about the facts of violating the order of accounting records maintenance and submission of financial statements established by legal acts of the Russian Federation, as well as violating legal acts of the Russian Federation, while carrying out financial and economic activities.

## **22. COUNTING COMMISSION OF THE COMPANY**

- 22.1. In case the number of the Company's shareholders owning voting shares exceeds 100 (one hundred), the Company creates the Counting Commission, the quantitative and personal composition of which is to be ratified by the General Meeting of Shareholders . The performance of functions of the Counting Commission can be assigned to the Company's registrar. In case number of the Company's shareholders owning voting shares exceeds 500 (five hundred), the functions of the Counting Commission are to be performed by the registrar.  
In case the Counting Commission is not formed, if the term of office of the Counting Commission has expired or if the quantity of its members has become fewer than 3 (three), the functions of the Counting Commission foreseen by law are to be performed by the Company's registrar.
- 22.2. The Counting Commission is elected for the term till the following annual General Meeting of Shareholders . In this case the preceding composition of the Counting Commission continues to perform its functions till the formularization, pursuant to this Charter, of the last of the documents fixing the results of voting.
- 22.3. In the composition of the Counting Composition there cannot be fewer than 3 (three) persons. The Counting Commission cannot be made up of the members of the Board of Directors, members of the Revision Commission, General Director, as well as of representatives of the managing company or of the manager, as well as of persons nominated as candidates to these positions. The powers of one or of several members of the Counting Commission can be ceased ahead of schedule by resolution of the General Meeting of Shareholders .  
Any shareholders (shareholder) owning in the aggregate at least 10 (ten) per cent of voting shares are (is) entitled to bring into the agenda of an extraordinary General Meeting of Shareholders an item on the alteration of the quantitative composition of the Counting Commission and at the same time to propose the resolution on this item with the indication of a new quantitative composition. Other shareholders in the Company, in the order of the realization of rights foreseen hereby, are entitled in this case to nominate candidates to the Counting Commission pursuant to the proposed quantitative composition.
- 22.4. In case of attendance, for the performance of their duties, of fewer than 3 (three) members of the Counting Commission, the functions of the Counting Commission are performed by the Company's registrar.
- 22.5. The Counting Commission checks the powers and registers persons participating in the General Meeting of Shareholders , determines the quorum of the General Meeting of Shareholders , explains the matters arising due to the realization by shareholders (their representatives) of the right to vote at the General Meeting of Shareholders , explains the order of voting on the matters put to vote, provides for the established order of voting and for the rights of shareholders for participation in the voting, counts the votes and sums up the results of voting, makes up the record of proceedings about the results of voting, makes up the report of the counting commission, passes over to the archives the voting ballots and performs other functions foreseen by current legislation.

## **23. ACCOUNTS AND RECORDS, DOCUMENTS OF THE COMPANY, INFORMATION ABOUT THE COMPANY**

- 23.1. The Company is obliged to maintain accounting records and to submit financial statements in the order established by the legislation of the Russian Federation.
- 23.2. The responsibility for the organization, condition and authenticity of accounting records in the Company, for opportune submission of an annual report and of other financial statements to corresponding bodies, as well as of the data about the Company's activities submitted to shareholders, creditors and to mass media, is borne by the Company's General Director pursuant to the Federal Law "On Joint Stock Companies", to the legal acts of the Russian Federation, and to the Charter of the Company.

- 23.3. The authenticity of the data contained in the Company's annual report, in the annual accounting records is to be confirmed by the Company's Revision Commission.
- 23.4. The Company's annual report is subject to preliminary approval by the Company's Board of Directors not later than 30 (thirty) days prior to the conduct of the annual General Meeting of Shareholders .
- 23.5. Pursuant to the requirements of current legislation, the Company is obliged to store the following documents:
  - 23.5.1. agreement on the Company's creation;
  - 23.5.2. Charter of the Company, alterations and amendments brought into the Company's Charter registered in the established order, resolution on the Company's creation, certificate about the Company's state registration;
  - 23.5.3. documents confirming the Company's rights for the assets being in its balance-sheet;
  - 23.5.4. internal documents of the Company;
  - 23.5.5. provisions on the affiliate or a representative office of the Company;
  - 23.5.6. annual reports;
  - 23.5.7. issue prospectus, quarterly reports of the issuer and other documents containing the information subject to publication or disclosure in any other way pursuant to the Federal Law "On Joint Stock Companies" and to other federal laws;
  - 23.5.8. account forms;
  - 23.5.9. financial statements;
  - 23.5.10. records of proceedings of the Company's General meetings of shareholders, of sessions of the Company's Board of Directors, of the Company's Revision Commission;
  - 23.5.11. lists of the Company's affiliated persons;
  - 23.5.12. conclusions of the Company's Revision Commission, of the Company's auditor, of state and municipal bodies of financial control;
  - 23.5.13. voting ballots, as well as powers-of-attorney (copies of powers-of-attorney) for participation in the General Meeting of Shareholders ;
  - 23.5.14. reports of independent appraisers;
  - 23.5.15. lists of persons entitled to participate in the General Meeting of Shareholders , entitled to receive dividends, as well as other lists being made up by the Company for the exercise by the shareholders of their rights pursuant to requirements of the Federal Law "On Joint Stock Companies";
  - 23.5.16. other documents foreseen by the Federal Law "On Joint Stock Companies", by the Company's charter, by the Company's internal documents, by resolutions of the General Meeting of Shareholders , of the Company's Board of Directors, of the Company's managing bodies, as well as documents foreseen by other legal acts of the Russian Federation.
- 23.6. The documents specified in Paragraph 23.5 are to be stored at the location of the Company's executive body.
- 23.7. The Company provides for all the shareholders of the Company the access to documents foreseen by Paragraph 23.5 hereof, with the exception of account forms. The document foreseen in Paragraph 23.5 of the Charter must be submitted by the Company in the course of seven days after submitting a corresponding request for the familiarization in the premises of the Company's executive body.
- 23.8. Any shareholders (shareholder) owning in the aggregate at least 25 (twenty-five) per cent of voting shares in the Company have the right of access to account forms. The transfer of the Company's documents for the familiarization to a shareholder of the Company is carried out at the address where the documents are stored, pursuant to a written request of the Company's shareholder.
- 23.9. By request of any shareholder the Company is obliged to submit the copies of documents specified in Paragraph 23.5 of the Charter for pay not exceeding the expenses for their production, with the exception of documents foreseen in Paragraph 23.5.8. hereof. Copies of documents foreseen in Paragraph 23.5.8. hereof are submitted to shareholders owning in the aggregate at least 25 (twenty-five) per cent of voting shares in the Company.
- 23.10. The copies are to be submitted to the shareholder within the sensible term, but in any case not earlier than the term necessary for their production.
- 23.11. The amount of the pay for the submission of the specified copies is established by the Company's Board of Directors and cannot exceed the cost of expenses for the production of copies of documents and the payment of expenses related to the dispatch of documents by mail or with a courier.
- 23.12. The responsibility for the organization and carrying out of the storage of the Company's documents is borne by the Company's sole executive body, which, in compliance with its ordinances, pursuant to

this Charter and to current legislation, determines the order of acceptance, storage and issuance of the Company's documents (including the list of other documents), as well as by the Company's employees in charge carrying out the receipt, storage and issuance of the Company's documents.

- 23.13. The Company is obliged to disclose information pursuant to current legislation, as well as to the Company's internal documents.
- 23.14. For the disclosure of information about the Company's activities the responsibility is borne by the sole executive body of the Company – General Director.

#### **24. REORGANIZATION OF THE COMPANY. LIQUIDATION OF THE COMPANY**

- 24.1. The Company can be voluntarily reorganized by resolution of the General Meeting of Shareholders . Other reasons and order of the Company's reorganization are determined by current legislation of RF.
- 24.2. The Company's reorganization can be carried out in the form of a merger, consolidation, separation, split-off and transformation into a different organizational and legal form.
- 24.3. The formation of the assets of the companies created as a result of reorganization is carried out only at the expense of the assets of reorganized companies.  
The Company is considered reorganized, with the exception of cases of reorganization in the form of consolidation, from the moment of state registration of newly appearing legal entities.  
In case the Company is reorganized in the form of its consolidation with another company, the Company is considered reorganized after making an entry in the unified state register of legal entities about the cessation of activities of the annexed company.
- 24.4. Not later than 30 (thirty) days after the adoption of the resolution on the Company's reorganization, and if it is reorganized in the form of a merger or consolidation – after the adoption of the resolution on that by the latter of the companies participating in the merger or consolidation, the Company is obliged to notify of that the Company's creditors in writing and to publish in a printed matter intended for the publication of the data about state registration of legal entities the notification about the adopted resolution.  
In this case the Company's creditors, in the course of 30 (thirty) days after forwarding to them of notifications or in the course of 30 (thirty) days after publishing the notification about the adopted resolution, are entitled to demand in writing the early cessation or performance of the corresponding obligations of the Company and reimbursement of losses to them.
- 24.5. State registration of companies created as a result of reorganization and making of entries about the cessation of the activities of reorganized companies are carried out in case of availability of proof of notifying the creditors in the order established by this Paragraph.  
If the separation balance-sheet or a transfer act does not enable to determine the legal successor of the reorganized company, legal entities created as a result of reorganization, bear joint and several responsibility under the obligations of the reorganized company to its creditors.
- 24.6. The Company can be liquidated voluntarily by resolution of the General Meeting of Shareholders or by decision of the court in cases and in the order foreseen by current legislation of RF.
- 24.7. In case of voluntary liquidation of the Company the Board of Directors submits for consideration by the General Meeting of Shareholders the item on the liquidation of the Company and on the appointment of the liquidation commission.  
The General Meeting of Shareholders adopts the resolution on the liquidation of the Company and on the appointment of the liquidation commission in the quantity equal to the quantitative composition of the members of the Board of Directors determined hereby.
- 24.8. After the appointment of the liquidation commission all the powers regarding the Company's business administration pass over to it. The liquidation commission can be appointed by the court. The liquidation commission appears in court on behalf of the Company.  
The liquidation commission bears, according to the norms of civil legislation of RF, responsibility for the harm incurred to the Company, to its shareholders, as well as to third persons.
- 24.9. The liquidation commission places in printed matters, in which one publishes the data about registration of legal entities, a notification about the liquidation of the Company, about the order and terms of raising claims by its creditors. The term for the raising of claims by creditors cannot make up less than two months after the publication of the notification about the liquidation of the Company.
- 24.10. In case at the moment of the adoption of the resolution about liquidation the Company has no obligations to creditors, its assets are to be distributed among shareholders pursuant to the Federal Law "On Joint Stock Companies" and to this Charter.
- 24.11. The liquidation commission takes measures aimed at the revelation of creditors and at the procurement

- of receivables, and also notifies creditors about the liquidation of the Company in writing.
- 24.12. On expiry of the term for the raising of claims by creditors the liquidation commission makes up an interim liquidation balance-sheet, which contains the data about the composition of the Company's assets, about claims raised by creditors, as well as about the results of their consideration. The interim liquidation balance-sheet is to be ratified by the General Meeting of Shareholders .
  - 24.13. If the funds available in the Company are not sufficient to satisfy the requirements of creditors, the liquidation commission carries out the sale of other assets of the Company at a public auction in the order established for the execution of judgments.
  - 24.14. Disbursements of monetary amounts to the Company's creditors are carried out by the liquidation commission in order of priority established by the Civil Code of RF, pursuant to the interim liquidation balance-sheet.
  - 24.15. After the accomplishment of settlements with creditors the liquidation commission makes up a liquidation balance-sheet, which is to be ratified by the General Meeting of Shareholders .
  - 24.16. The Company's assets remaining after the accomplishment of settlements with creditors are to be distributed by the liquidation commission among shareholders pursuant to the Federal Law "On Joint Stock Companies".
  - 24.17. The distribution of assets of each order of priority is carried out after the full distribution of the assets of the preceding priority.
  - 24.18. The liquidation of the Company is considered accomplished, and the Company is considered liquidated from the moment of making a corresponding entry by the state registration body into the unified state register of legal entities.