



APPROVED  
by Annual General Shareholders' Meeting  
of PJSC "Rostelecom"  
held on July 24, 2025

Minutes No. 1 dated July 25, 2025

**CHARTER OF**  
**PUBLIC JOINT STOCK COMPANY "ROSTELECOM"**  
(version No. 24)

Moscow  
2025

Public Joint Stock Company "Rostelecom" (hereinafter, the "Company") was established in accordance with the Law of the Russian Federation No. 1531-1 "On Privatization of State and Municipal Enterprises in the Russian Federation" dated July 3, 1991, as amended by the Law of the Russian Federation dated June 5, 1992, and pursuant to the State Program for Privatization of State and Municipal Enterprises in the Russian Federation for the year 1992, approved by Resolution No. 2980-1 of the Supreme Council of the Russian Federation, dated June 11, 1992.

The State Committee of the Russian Federation for State Property Management is the founder of the Company.

The Company is the legal successor of the State Communications Enterprise "Rostelecom" including succession to the rights and obligations arising from membership in JSC "Intertelecom", as well as the rights and obligations possessed previously by the state enterprises former members of the State Communications Enterprise "Rostelecom".

Based on the decision adopted by the General Shareholders' Meeting of the Company on June 26, 1999, the Company was reorganized by merging it with Joint Stock Company "Moscow Long-Distance and International Telephone Service" (JSC "MMT"), as was registered by Moscow Registration Chamber on September 22, 1993 under Registration No. 6316. In accordance with the Transfer Certificate dated June 17, 1999, and Merger Agreement No. 465 dated June 17, 1999, between the Company and JSC "MMT" as approved by the General Shareholders' Meeting of OJSC "Rostelecom" on June 26, 1999, and by the General Shareholders' Meeting of JSC MMT on June 29, 1999, the Company is a legal successor to all rights and obligations of Joint Stock Company "Moscow International and Long-Distance Telephone Service" with respect to all of its debtors and creditors, including disputed obligations and liabilities. On August 28, 2000, Moscow Registration Chamber registered the termination of JSC "MMT" as a result of its merger with OJSC "Rostelecom".

Based on the decision adopted by the Company's Annual General Shareholders' Meeting on the results of year 2009, held on June 26, 2010 (Minutes No.1 dated June 30, 2010), the Company was reorganized by merging into it the following businesses: Joint Stock Company "Uralsvyazinform" (JSC "Uralsvyazinform", located at 11 Moskovskaya street, Yekaterinburg, Russian Federation, 620014, OGRN 1025900510349); Joint Stock Company "VolgaTelecom" (JSC "VolgaTelecom", located at the "Telecommunication Building", M. Gorkogo Square, Nizhniy Novgorod, 603000, Russian Federation, OGRN 1025203014781); Joint Stock Company "Yuzhnaya Telekommunikatsionnaya kompaniya"/"Southern Telecommunication Company" (JSC "UTK", located at 66 Karasunskaya street, Krasnodar, 350000, Russian Federation, OGRN 1022301172112); Joint Stock Company "Dalnevostochnaya kompaniya elektrosvyazi"/"Far East Telecom" (JSC "Dalsvyaz", located at 57 Svetlanskaya street, Vladivostok, 690091, Russian Federation, OGRN 1022501276159); Joint Stock Company "SibirTelecom" (JSC "SibirTelecom", located at 53 M. Gorkogo street, Novosibirsk, 630099, Russian Federation, OGRN 1025403189778); Joint Stock Company "Severo-zapadnyi telecom"/"North-West Telecom" (JSC "SZT", located at 14/26 Gorokhovaya street, Saint Petersburg, 119186, Russian Federation, OGRN 1027809169849), Joint Stock Company "Centralnaya Telekommunikatsionnaya kompaniya"/"CenterTelecom" (JSC "CenterTelecom", located at 23 Proletarskaya street, Khimki, Moscow region, Russian Federation, 141400, OGRN 1025006174710); Joint Stock Company for Communication and Information Technology of the Republic of Dagestan (JSC "Dagsvyazinform", located at 33 Rasula Gamzatova avenue, Makhachkala, Republic of Dagestan, 367000, Russian Federation, OGRN 1020502624493).

The Company is a legal successor to all rights and obligations of JSC "Uralsvyazinform", JSC "VolgaTelecom", JSC "UTK", JSC "Dalsvyaz", JSC "Sibirtelecom", JSC "SZT", JSC "CenterTelecom", JSC "Dagsvyazinform" in respect of all the debtors and creditors, including disputed obligations and liabilities in accordance with the Transfer Certificate dated May 17, 2010, approved by the General Shareholders' Meeting of JSC "Uralsvyazinform" (Minutes dated June 23, 2010); Transfer Certificate dated May 10, 2010 approved by the General Shareholders' Meeting of JSC "VolgaTelecom" (Minutes No. 10 dated June 22, 2010), Transfer Certificate dated March 31, 2010, approved by the General Shareholder's Meeting of JSC "UTK" (Minutes No. 21 dated June 16, 2010), Transfer Certificate dated May 21, 2010, approved by the General Shareholders' Meeting of JSC "Dalsvyaz" (Minutes No. 20 dated June 28, 2010), Transfer Certificate dated May 17, 2010, approved by the General Shareholders' Meeting of JSC "Sibirtelecom" (Minutes No. 1 dated June 8, 2010), Transfer Certificate dated March 31, 2010; approved by the General Shareholders' Meeting of JSC "SZT" (Minutes No. 01-10 dated June 23, 2010), Transfer Certificate dated May 21, 2010, approved by the General Shareholders' Meeting of JSC "CenterTelecom" (Minutes No. 18 dated June 28, 2010), and Transfer Certificate dated March 31, 2010, approved by the General Shareholders' Meeting of JSC "Dagsvyazinform" (Minutes No. 20 dated July 28, 2010).

On April 1, 2011, the Inter-District Office of the Federal Tax Administration No. 15 in Saint Petersburg registered the termination of JSC "Uralsvyazinform", JSC "VolgaTelecom", JSC "UTK", JSC "Dalsvyaz", JSC "Sibirtelecom", JSC "SZT", JSC "CenterTelecom", and JSC "Dagsvyazinform" as a result of their merger with the Company.

Based on the decision adopted by the Extraordinary General Shareholders' Meeting on June 26, 2013 (Minutes No. 2 dated June 27, 2013), the Company was reorganized by merging it with and into it the following entities: Open Joint Stock Company "Telecommunications Investment Company" (OJSC "Szyazinvest", located at 55 Plyushchikha street, Bld. 2, 119121, Moscow, OGRN 1027739875998), Open Joint Stock Company "NATIONAL TELECOMMUNICATIONS" (OJSC "NTC", located at 26 Nagatinskaya street, Bld.1, Moscow, 117105, Russian Federation, OGRN 1067746431081), Open Joint Stock Company "National Cable Networks" (OJSC "NCN", located at 26 Nagatinskaya street, Bld. 1, Moscow, 117105, Russian Federation, OGRN 1026900515070), Open Joint Stock Company "St. Petersburg Cable Television Company" (OJSC "TCT", located at 34A Vereyskaya street, Saint Petersburg, 190013, Russia, OGRN 1027809181927), Closed Joint Stock Company "ELKATEL" (CJSC "ELKATEL", located at 27, 16th Parkovaya street, Moscow, 105484, OGRN 1037739783168), Open Joint Stock Company "National Cable Networks-EuroAsia" (OJSC "NCN-EuroAsia", located at 13, 8th of March street, Yekaterinburg, 620014, Russian Federation, OGRN 1026600666950), Closed Joint Stock Company "Novosibirsk Antenna Cable Television Broadcasting" (CJSC "NovACTV", located at 15/3 Vystavochnaya street, Novosibirsk, 630078, Russian Federation, OGRN 1135476000637), Closed Joint Stock Company "Teleset-Service" (CJSC "Teleset-Service", located at 13, 8th of March street, Office 501, Yekaterinburg, 620014, Russian Federation, OGRN 1126671022323), Closed Joint Stock Company "ELTELEKOR" (CJSC "ELTELEKOR", located at 47A Lenina Prospekt, Elektrostal, Moscow Region, 144000, OGRN 1125053003767), Open Joint Stock Company "Mosteleset" (OJSC "Mosteleset", located at 26 Nagatinskaya street, Bld. 1, Moscow, 117105, OGRN 1057749570416), Open Joint Stock Company "Mostelecom" (OJSC "Mostelecom", located at 22, 4 Bolshoy Karetny Pereulok, Bld. 2, Moscow, 127051, Russian Federation, OGRN 1037700050079), Closed Joint Stock Company "TELESET" (CJSC "TELESET", located at 8 Rakhimova street, Kazan, 420006, Republic of Tatarstan, Russian Federation, OGRN 1121690089399), Closed Joint Stock Company "TELESET INVEST" (CJSC "TELESET INVEST", located at 8 Rakhimova street, Kazan, Republic of Tatarstan, 420006, Russian Federation, OGRN 1121690089355), Open Joint Stock Company "TNPKO" (OJSC "TNPKO", located at 8 Rakhimova street, Kazan, Republic of Tatarstan, 420006, Russian Federation, OGRN 1021603618189), Closed Joint Stock Company "Simbirsky Telecommunications Systems" (CJSC "STS", located at 21B Ryabikova street, Ulyanovsk, 432045, Russian Federation, OGRN 1127327004155), Closed Joint Stock Company "Svyazinvest" (CJSC "Svyazinvest", located at 4 Yamasheva Blvd., Naberezhnye Chelny, Republic of Tatarstan, 423800, Russian Federation, OGRN 1121650022471), Open Joint Stock Company "Russian Telecommunications Network" (OJSC "RTN", located at 2/15 Maroseyka street, Moscow, 101000, Russia, OGRN 1027700555200), Closed Joint Stock Company "Novgorod Datacom" (CJSC "Novgorod Datacom", located at 16/5 Nikolskaya street, Velikiy Novgorod, 173000, OGRN 1095321000510), Closed Joint Stock Company "Parma-Inform" (CJSC "Parma-Inform", located at 86/1 Pervomayskaya street, Syktyvkar, Komi Republic, 167982, Russia, OGRN 1091101000946), Closed Joint Stock Company "ENTER" (CJSC "ENTER", located at 56 Mishina street, Bld. 2, Moscow, 127083, Russian Federation, OGRN 1137746017860), and Open Joint Stock Company "Ingushelektrosvyaz" (OJSC "Ingushelektrosvyaz", located at 1a Seynaroyeva street, Ordzhonikidzevskaya village, Sunzhenskiy district, Republic of Ingushetia, 386200, OGRN 1060608012552).

On October 1, 2013 the Inter-District Office of the Federal Tax Administration No. 15 in Saint Petersburg registered the termination of OJSC "Szyazinvest", OJSC "NTC", OJSC "NCN", OJSC "TCT", CJSC "ELKATEL", OJSC "NCN -EuroAsia", CJSC "NovACTV", CJSC "Teleset-Service", CJSC "ELTELEKOR", OJSC "Mosteleset", OJSC "Mostelecom", CJSC "TELESET", CJSC "TELESET INVEST", OJSC "TNPKO", CJSC "STS", CJSC "Svyazinvest", OJSC "RTN", CJSC "Novgorod Datacom", CJSC "Parma-Inform", CJSC ENTER and OJSC "Ingushelektrosvyaz" as a result of their merger with the Company.

Based on the decision adopted by the General Shareholders' Meeting of the Company on June 15, 2015 (Minutes No. 01 of June 17, 2015) the full and abbreviated corporate names of the Company were changed to Public Joint Stock Company Long Distance and International Telecommunications "Rostelecom" and PJSC "Rostelecom" respectively.

Based on the decision adopted by the General Shareholders' Meeting of the Company on June 18, 2018 (Minutes No. 1 of June 20, 2018) the full corporate name of the Company was changed to Public Joint Stock Company "Rostelecom".

The legal status of the Company is determined by the Civil Code of the Russian Federation, the Federal Law of the Russian Federation No. 208-FZ "On Joint Stock Companies" of 26.12.1995 (hereinafter, the "Federal Law "On Joint Stock Companies""), other laws and legal acts of the Russian Federation adopted by appropriate state bodies within their authority, and by this Charter.

Where applicable Federal laws and other legal acts of the Russian Federation are subsequently amended or supplemented, this Charter will remain effective in all respects not contradicting the binding provisions thereof.

In all matters not covered in this Charter, the Company shall be guided by applicable Russian Law (hereinafter also referred to as "the applicable law"), as well as by other legal acts adopted by appropriate state bodies within their authority.

The Company is established for an unlimited term.

### **Article 1. Name and Location of the Company**

1.1. The full corporate name of the Company is *Публичное акционерное общество «Ростелеком»*.

The abbreviated corporate name of the Company is *ПАО «Ростелеком»*.

1.2. The full corporate name of the Company in English is Public Joint Stock Company "Rostelecom".

The abbreviated corporate name of the Company in English is PJSC "Rostelecom".

1.3. The Company is located in Saint Petersburg, Russian Federation.

The standing collective executive body of the Company, the Management Board (hereinafter, the "Management Board"), is located at 14 Sinopskaya Embankment, Litera A, Smolninskoe Municipality (Internal Federal City Territory), Saint Petersburg, 191167, Russian Federation.

The sole person executive body of the Company, viz., the President (hereinafter, the "President"), is located at the following address: 30 Goncharnaya street, Bld. 1, Moscow, 115172, Russian Federation.

1.4. The Company was assigned the following General State Registration Number ("OGRN"): 1027700198767.

### **Article 2. The Legal Status of the Company**

2.1. The Company is a legal entity under the applicable law, it maintains a separate balance sheet, has round corporate seals showing its full corporate (official) name in the Russian language and indicating its location, has current bank accounts, bank accounts in various currencies and other bank accounts, has stamps, letterheads bearing its official name, its own emblem, has duly registered trademarks and other means of visual identification.

The Company is entitled to have an unlimited number of round seals intended, in particular, for use by its separate and other subdivisions forming the Company's structure. Alongside the compulsory information required by the applicable laws, the Company's seals may also bear a legend pointing to their specific field of application. The procedures for the manufacturing and exploitation of the Company's seals and stamps are established in the "Regulations on Procedures for Manufacturing and Use of Seals and Stamps of the Company".

2.2. The Company acquired the rights of a legal entity as of its state registration on September 23, 1993.

2.3. To accomplish its business goals, the Company enters into transactions on its own behalf, acquires property and non-property rights, undertakes obligations, may sue and be sued in courts of trial and courts of arbitration.

2.4. The Company owns property reflected on its separate balance sheet, including the property contributed to its Charter Capital by the founder in the course of the Company's foundation, as well as the property contributed to the Company as payments for its shares.

2.5. The Company is liable for its obligations with all its property. Shareholders shall be liable for the Company's obligations within the limits of the value of their respective contributions (shares owned by them) in the property of the Company, unless applicable law and this Charter provide for otherwise.

2.6. The Company is not liable for any obligations of the state and those of its shareholders, and neither is the state liable for obligations of the Company.

2.7. The Company may have subsidiaries and dependent companies with the rights of a legal entity in the territory of the Russian Federation, established in accordance with applicable law, and outside the territory of the Russian Federation - in accordance with applicable law of a foreign state at the location of the subsidiary or dependent company, unless otherwise provided for by an international treaty of the Russian Federation.

The Company may establish business entities and partnerships jointly with Russian and/or foreign individuals and/or legal entities.

The Company is entitled to found or have interest in any legal entities in which Joint Stock companies are entitled to participate in compliance with applicable law.

2.8. The Company is entitled to establish branches and representative offices both in the territory of the Russian Federation and abroad in accordance with applicable Russian Law.

2.9. Branches are separate subdivisions of the Company located in places other than the Company's location and performing part of the Company's functions, including the functions of a representative office (hereinafter, the "Branches"). Representative offices are separate subdivisions of the Company located in places other than

the Company's seat and representing and protecting the Company's interests (hereinafter the "Representative Offices").

2.10. The Company provides its Branches with fixed and current assets and resources required for performing relevant Company functions. The property supplied by the Company to the Branches, as well as the property acquired by the Branches themselves, is deemed to be in the Company's ownership. Being an integral part of the Company, the Branches use and dispose of the aforementioned property within the scope of their rights and authorities provided for by this Charter, internal regulations of the Company, the Regulations on the Branch, and General Powers of Attorney issued by the Company to the directors of the Branches.

2.11. Branches and Representative Offices are not legal entities and participate in the Company's business on behalf of the Company, on the basis of the Regulations on the individual Branch. Representative offices and Branches of the Company are entered into the Unified State Register of Legal Entities.

2.12. The Company is liable for obligations arising in the process of the Branches' participation in business on behalf of the Company.

2.13. Subsidiaries and dependent companies are separate legal entities, which are not liable for the Company's obligations, and the Company is not liable for the obligations of its subsidiaries unless otherwise is stipulated in applicable law.

2.14. The Company independently develops its production and business plans and plans of its other activities, as well as programs for the social development of its employees.

2.15. Sale of products, performance of work and provision of services are subject to prices and rates established by the Company at its own discretion, unless otherwise provided for in applicable law.

2.16. The Company is free to join, at its own discretion, the existing and/or newly created unions, associations, cross-industry, regional and other alliances, subject to terms and conditions complying with requirements of applicable antimonopoly Russian laws and pursuant to procedures stipulated by laws and other Russian regulations.

2.17. The Company is authorized to engage Russian and foreign specialists for doing jobs and independently determine forms, systems, amounts and types of their remuneration packages.

The Company is entitled to indemnify members of the Company Board of Directors (hereinafter the "Board of Directors") and Management Board, and other officers for the damages incurred by them in the course of performance of their duties and/or exercising their powers of members of the Board of Directors or Management Board of the Company respectively, arising out of claims, suits and demands filed against members of the Board of Directors or Management Board and other officers, or as a result of pecuniary sanctions applied by third persons, including those filed or imposed by the state or municipal authorities.

The Company is entitled to enter into insurance contracts to insure members of the Board of Directors and Management Board and other officers of the Company against liability for damage, which they may inflict on third persons in the course of performance of their duties and/or exercising their powers as members of the Board of Director or Management Board of the Company respectively.

2.18. The Company is entitled to perform other activities not prohibited by the law.

2.19. For the purpose of implementing the national social, economic and tax policies of the state, the Company is responsible for proper storage of its documents (managerial, financial, business, personnel-related, and others), shall arrange for depositing for safe storage by the state documents of historic and scientific value, and safeguard and use according to prescribed procedures personnel-related documents and personal data of the Company's employees.

### **Article 3. Goals and Business Scope of the Company**

3.1. The principal goal of the Company is to create profit through provision of telecommunication services within the territories specified in applicable licenses, issued to the Company by an authorized governmental authority, and carrying out other business activities.

3.2. To achieve its goal the Company conducts the following activities:

3.2.1. Provision of telecommunication services, including:

- local, intra-zone, domestic long-distance and international telephone services;
- communication services of providing communication circuits;
- data services;
- ICT services;

- provision of access to communication services using telecommunication services access codes;
  - communication services for cablecasting;
  - universal communication services.
- 3.2.2. Engineering, deployment, operation and development, as well as management of telecommunication networks in the territory of the Russian Federation.
- 3.2.3. Provision of telecommunication networks interconnection and traffic transmission services;
- 3.2.4. Carrying out design, construction, installation and commissioning works to deploy and operate telecommunication facilities, sites and systems.
- 3.2.5. Installation, operation and maintenance of technology and telecommunication equipment.
- 3.2.6. Engineering surveying and all types of design works.
- 3.2.7. Performance of general contractor's functions.
- 3.2.8. Execution of investment projects.
- 3.2.9. Conducting communications research and implementing and exploiting results of such research.
- 3.2.10. Conducting real estate-related transactions, as well as construction, renovation, refurbishment, restoration and maintenance of buildings and facilities, living premises, social, cultural, sports and community facilities, and transportation lines.
- 3.2.11. Cargo and passenger transportation for ensuring operation of existing communication facilities and those under construction.
- 3.2.12. Sales and marketing activities.
- 3.2.13. Protecting state secrets and privacy of communications pursuant to the law.
- 3.2.14. Carrying out operations involving use of state secrets, implementing measures and/or providing services related to protection of state secrets.
- 3.2.15. Training of employers and employees in labor protection issues.
- 3.3. Possessing general legal capacity the Company is entitled to carry out any other activities that are not prohibited by applicable law.
- 3.4. Activities subject to licensing are carried out under applicable licenses obtained according to a statutory procedure.
- 3.5. The Company ensures for users their equal access to communication facilities and circuits owned by the Company, and provides on a preemptive usage right basis communication circuits and paths in the interests of the country defense, state administration and security, and law enforcement including emergency situations.
- 3.6. The Company carries out international business activities pursuant to the law.

#### **Article 4. Branches and Representative Offices of the Company**

- 4.1. The Company comprises various Branches and Representative Offices listed in the Unified State Register of Legal Entities.
- 4.2. Other Branches are established and liquidated and its other Representative Offices are opened and closed on the basis of a relevant decision of the Management Board.
- 4.3. Branches and Representative Offices shall operate on the basis of Regulations on the branches (representative offices).
- 4.4. The President shall appoint and as initiated by the Company dismiss the director of any Branch (hereinafter, the "Branch Director") and head of any representative office.
- The Branch Director acts on the basis of a General Power of Attorney, issued to him/her, where limits of his/her authority are determined, as well as on the basis of other powers of attorney issued to the Branch Director to perform functions not provided for under the General Power of Attorney.
- 4.5. The Branch/Representative Office Director shall act on behalf of the Company within the scope of authority granted to him/her by a Power of Attorney and the Regulations on the specific Branch (or Representative Office).
- 4.6. Branches participate in business on behalf of the Company on the territory constituting the relevant Branch operating area (hereinafter, the Branch Operating Area), as set out by the Company. The Branch Operating

Area may cover territories of several constituent entities of the Russian Federation. There are Company's subdivisions included in the Branch structure and subject to the Branch administrative and functional control in the Branch Operating Area.

4.7. Any Branch is funded solely by the Company. Funds for operations of a Branch are provided on the basis of business plans approved by the Company for the relevant period.

4.8. At the location of a Branch, including those of the subdivisions comprising the structure of, and administratively controlled by the Branch, the Company may open and close bank accounts and maintain cash offices for settlements in cash. The Branch Director is not authorized to dispose of the funds kept in such accounts and in such cash offices.

4.9. A Branch is not a separate independent taxpayer, nor does it have the right to sell goods (works, services) independently by itself. A Branch shall discharge the Company's obligations to pay taxes and duties in accordance with the applicable tax laws of the Russian Federation, Accounting Policy of the Company and Regulations on the Branch.

#### **Article 5. Charter Capital of the Company. Placed and authorized shares**

5.1. The Charter Capital of the Company comprises 8,731,407.69 (eight million seven hundred and thirty one thousand four hundred and seven point sixty nine) rubles and is defined as the total of the par values of the placed shares.

The Company has placed the following shares:

- 3,282,997,929 (three billion two hundred and eighty two million nine hundred and ninety seven thousand nine hundred and twenty nine) ordinary shares;
- 209 565 147 (two hundred and nine million five hundred and sixty five thousand one hundred and forty seven) Type A preference shares.

5.2. The par value of a share of any class is 0.0025 (twenty-five ten-thousandths) rubles.

All shares of the Company are registered book-entry shares.

The Type A preference shares are issued within the limit of 25 (twenty five) percent of the Charter Capital amount specified in clause 5.1. hereof.

In accordance with this Charter, the total par value of the placed preference shares of all types may not be determined to exceed the amount of 25 (twenty five) percent of the Charter Capital of the Company.

5.3. The Company has 1,905,852,776 (one billion nine hundred and five million eight hundred and fifty two thousand seven hundred and seventy six) authorized ordinary shares each having a par value of 0.0025 (twenty-five ten-thousandths) rubles, which the Company is entitled to place in addition to the placed ordinary shares, through the procedures established in this Charter, and which, upon placement, shall provide to the owners thereof the same rights as those provided by the ordinary shares.

5.4. The Company has 531 (five hundred and thirty one) authorized Type A preference shares with a par value of 0.0025 (twenty-five ten-thousandths) rubles each, which the Company is entitled to place in addition to the placed preference shares through the procedure established in this Charter, and which, upon the placement, shall provide to the owners thereof the same rights as those provided by Type A preference shares.

#### **Article 6. Increasing the Charter Capital**

6.1. The Charter Capital of the Company may be increased following the procedures stipulated by applicable law and this Charter, as follows:

6.1.1. by increasing the par value of shares of the Company;

6.1.2. by placing additional shares.

6.2. The Charter Capital of the Company may be increased by placing additional shares issued on the Company's property. An increase of the Charter Capital of the Company by raising the par value of the shares is implemented exclusively on account of the value of the Company's property. The amount by which the Charter Capital of the Company is increased using the Company's property cannot exceed the difference between the value of the Company's net assets and the sum of the Charter Capital and reserves of the Company.

6.3. An increase in the Charter Capital of the Company by raising the par value of shares shall be effected on the basis of a resolution by the General Shareholders' Meeting of the Company (hereinafter the "General Shareholders' Meeting"), exclusively following a proposal of the Board of Directors.

6.4. An increase in the Charter Capital of the Company by placing additional shares is effected on the basis of a resolution of the Board of Directors passed by a unanimous vote of the Board members, except for the cases stated in the first paragraph of clause 6.5. of this Charter; the vote(s) of previously discontinued member(s) of the Board of Directors shall be disregarded.

6.5. An increase in the Charter Capital of the Company by placing additional shares through private subscription, as well as the increase of the Charter Capital of the Company by placing extra ordinary shares through public subscription where the number of shares additionally placed through public subscription is more than 25 (twenty five) percent of ordinary shares placed earlier by the Company, shall be effected on the basis of a resolution of the General Shareholders' Meeting of the Company, passed by a three quarters majority vote of shareholders, owning the Company's voting shares and participating in the General Shareholders' Meeting or in the absentee voting (hereinafter the "Meeting", including both a session of the General Shareholders' Meeting and absentee voting (where applicable)).

An increase in the Charter Capital of the Company by placing additional ordinary shares through public subscription in the event that the amount of extra shares placed through public subscription is 25 (twenty five) or less percent of the ordinary shares placed earlier by the Company, shall be effected on the basis of a resolution of the Board of Directors passed by a unanimous vote of the Board members, excluding previously discontinued member(s).

An increase in the Charter Capital of the Company by placing additional shares issued on the Company's property is effected on the basis of a resolution of the Board of Directors, passed by unanimous vote of all the members of the Board of Directors, excluding previously discontinued member(s).

6.6. The number of shares to be placed for increasing the Charter Capital of the Company by placement of additional shares shall not exceed the number stipulated in clauses 5.3. and 5.4. hereof.

#### **Article 7. Decreasing the Charter Capital**

7.1. The Charter Capital of the Company may be decreased following procedures stipulated by applicable law and this Charter, as follows:

7.1.1. by decreasing the par value of the shares of the Company;

7.1.2. by cancelling the shares bought out by the Company following the decision of the Board of Directors and not sold by the Company within 1 (one) year from the date of their buyback by the Company;

7.1.3. by acquiring some shares in order to reduce their total number, following a decision of the General Shareholders' Meeting;

7.1.4. by cancelling shares bought back by the Company through a procedure stipulated in this Charter.

7.2. A decision to decrease the Charter Capital of the Company by acquiring some of the shares in order to reduce their total number, or by cancelling shares previously acquired or bought back by the Company and not sold by the Company within 1 (one) year following such acquisition or buyback, shall be adopted at the General Shareholders' Meeting by a simple majority vote of holders of the Company's voting shares participating in the General Shareholders' Meeting.

A decision to decrease the Charter Capital of the Company by decreasing the par value of the shares of the Company shall be adopted at the General Shareholders' Meeting exclusively following a proposal of the Board of Directors by a three quarters majority vote of shareholders owning the Company's voting shares and participating in the relevant Meeting.

7.3. If shares acquired upon the decision of the Board of Directors or bought out through the procedures provided for herein are posted on the Company's balance sheet, the General Shareholders' Meeting is entitled to decide to reduce the Charter Capital by cancellation of all or part of such shares. In the event that the aforementioned shares are kept on the Company's balance sheet for more than 1 (one) year, the Board of Directors must call an extraordinary General Shareholders' Meeting in order to pass a resolution to decrease the Charter Capital by cancellation of all such shares.

7.4. Within 3 (three) working days after the decision to decrease the Charter Capital is adopted, the Company shall inform the state registration authorities and publish twice once a month a notice about the expected decrease of its Charter Capital in the mass media that are responsible for publication of information related to state registration of legal entities.

The following information must be provided in the report on the decision to decrease the Charter Capital of the Company and the notice of such decrease:

1) the full and abbreviated names of the Company and its location;

- 2) the size of the Charter Capital and the amount by which it is to be decreased;
- 3) method, procedure and conditions of decreasing the Charter Capital of the Company;
- 4) description of procedures and conditions for the creditors of the Company to file claims as stated in the next sentence of this Article, specifying the address (location) of the collective executive body of the Company, additional addresses at which the said claims could be filed, as well as contact numbers of the Company (phone numbers, fax numbers, emails, etc.).

A creditor of the Company whose right to demand arose before the notice on the decrease of the Charter Capital of the Company was published shall be entitled not later than within thirty (30) days after the date of the last publication of such notice to seek in court early discharge of relevant obligations of the Company, and if such early discharge of such obligations is impossible to seek termination of the obligations and compensation of losses related therewith. The limitation of action period for filing claims with a court is six months after the date on which the last notice of a decrease in the Charter Capital of the Company is published.

7.5. The Company has no right to reduce its Charter Capital if such a decrease would result in the amount of the Charter Capital of the Company becoming less than the minimum amount of the Charter Capital, as determined by the Federal law "On Joint Stock Companies", as of the date of submitting documents for the state registration of the relevant changes to the Company's Charter, or as of the date of the Company's state registration, in case the Company is obliged to reduce its Charter Capital to comply with requirements of applicable law.

## **Article 8. Placement and Paying up of Shares**

8.1. The Company is entitled to place its shares and other securities convertible into shares through both public and private subscriptions, except for cases where applicable law permits placement of shares through a public subscription only.

The procedure and timeline of placing shares through public or private subscription shall be determined by a decision of the Board of Directors or the General Shareholders' Meeting, as stipulated in clauses 6.4. and 6.5. hereof.

8.2. Where the Charter Capital of the Company is increased by placing additional shares, the placement price of shares or a procedure to establish it shall be determined by the Board of Directors when adopting the decision to increase the Charter Capital following the procedures and by methods prescribed by applicable law.

The price of the additional shares to be placed among buyers exercising their preemptive rights to buy shares may be lower than that for the other buyers, but no more than by 10 (ten) percent.

8.3. If additional shares are placed by subscription, the Company and any buyer of such shares execute a civil law agreement. Pursuant to such agreement, the additional shares shall be placed subject to full payment thereof.

8.4. Payment for shares to be placed may be made in cash, by tangible things, stocks (shares) in charter (share) capital of other business partnerships and companies, by government or municipal bonds, exclusive rights, other intellectual property rights or rights under license agreements valued in monetary terms, unless otherwise provided by law.

The form of payment for additional shares is to be determined by a decision on placement of such shares.

8.5. Where additional shares are to be paid up in non-monetary form, the Board of Directors shall determine the monetary value of the property contributed as payment for the shares; while the market value of the property contributed as payment for shares shall be determined following the procedures established by applicable laws.

## **Article 9. Rights and Obligations of Shareholders Owning Ordinary Shares**

9.1. Each ordinary registered share in the Company shall provide its holder with the rights identical to those of any other holder of an ordinary registered share.

9.2. Any shareholder owning ordinary shares shall be entitled:

9.2.1. at any time to sell or otherwise dispose of the owned shares without consent of other shareholders or approval from the bodies of the Company;

9.2.2. to have a voting right in passing decisions at General Shareholders' Meetings on all issues within the Meeting authority. If shareholder's ascension to share ownership rights occurred after the list of shareholders entitled to vote in making decisions of the General Shareholders' Meeting was finalized by the registrar, such

shareholder is entitled to participate in the meeting exclusively on the basis of a power of attorney issued to such shareholder by the previous owner of the shares;

9.2.3. to receive dividends, if any are declared, and other distributions following the procedures and using methods stipulated by this Charter;

9.2.4. to receive a portion of the property or value of a portion of the property of Company remaining after the Company's liquidation upon completion of settlements with creditors pro rata to the owned shares following procedures and order of priority stipulated by applicable law and this Charter;

9.2.5. to receive any extracts from the shareholders' register issued by the registrar and certified with its official seal and receive information on all entries in the shareholder's personal account, a confirmation of inclusion of the person in the list of persons exercising their securities-related rights or a notice that the person is not included in the said list, as well as other information stipulated by legal acts of the Russian Federation, in the form, pursuant to terms and conditions, following the procedures and within the timeline as set forth in the regulations on maintaining the shareholders' register approved by the registrar within its authority;

9.2.6. to obtain documents and information about the Company pursuant to the Requirements of the Federal Law "On Joint Stock Companies" and other legal acts of the Russian Federation;

9.2.7. in cases stipulated by applicable law to defend in court the shareholder's infringed civil rights including claiming compensation by the Company for damages;

9.2.8. to demand that the Company buy back all or part of the shares owned by the shareholder, in cases and following procedures stipulated by applicable law;

9.2.9. to sell shares to the Company in the event that the Company decides to purchase such shares.

A shareholder has to bear the costs of services for provision of the requested documents in the amount which shall not exceed the cost of making copies of the documents and sending them by mail.

9.3. A shareholder or a group of shareholders holding as of the date of proposing issues to the agenda, in aggregate, at least 2 (two) percent of the total number of placed voting ordinary shares of the Company are entitled to put issues on the agenda of an Annual Meeting, as well as to nominate candidates to the Board of Directors, the Audit Commission to stand at the election at the Annual Meeting, following procedures, on terms and conditions and within the timeline set forth by this Charter.

9.4. A shareholder or a group of shareholders holding in aggregate at least 10 (ten) percent of the total number of the placed ordinary shares of the Company, is entitled:

- to demand holding an Extraordinary Meeting;
- to demand conducting a review (an audit) of the financial and business operations of the Company.

9.5. Any shareholder owning ordinary shares is obliged:

- to pay for the bought-out Company's placed shares following the procedure, in the amount, form and within the timeline set forth by this Charter and the decision on placing such securities;
- not to disclose confidential information on the Company's operations;
- to fulfill other obligations provided for in this Charter, internal regulations of the Company, as well as comply with the decisions of the General Shareholders' Meeting and those of the Board of Directors adopted within their authority respectively.

9.6. In the cases stipulated in the Federal Law "On Joint Stock Companies" the Company shareholders shall have a pre-emptive right to acquire shares to be placed or issuable securities convertible into shares.

#### **Article 10. Rights and Obligations of Shareholders Owning Type A Preference Shares**

10.1. Each Type A preference share of the Company shall provide its holder with the rights identical to those of any other holder of a Type A preference share.

10.2. Shareholders of Type A preference shares of the Company shall not be entitled to vote in making decisions of a General Shareholders' Meeting, unless otherwise is stipulated in applicable law or this Charter.

10.3. Shareholders owning Type A preference shares shall be entitled to receive fixed annual dividend, except for the cases stated in this Charter. The total amount payable as dividend on each Type A preference share is set at 10 (ten) percent of the Company's net profits posted for the previous reporting year, divided by the number of shares accounting for 25 (twenty five) percent of the Charter Capital of the Company. However, if the dividend amount payable by the Company per each ordinary share in a certain year exceeds the dividend

amount payable per each Type A preference share, the latter dividend amount must be increased to be equal to the dividend amount payable on ordinary shares.

10.4. Any shareholder owning Type A preference shares shall be entitled:

10.4.1. at any time to sell and otherwise dispose of owned shares without consent of other shareholders or bodies of the Company;

10.4.2. to vote in making decisions by the General Shareholders' Meeting on issues relating to reorganization and liquidation of the Company; as well as on issues stipulated by par. 3 Article 7.2. and Article 92.1 of the Federal Law "On Joint Stock Companies", and also on issues where decisions shall be passed unanimously by all shareholders of the Company as prescribed by the Federal Law "On Joint Stock Companies".

10.4.3. shareholders owning Type A preference shares shall accrue the right to vote in making decisions of a General Shareholders' Meeting if approval of amendments or additions to this Charter entail restriction of rights of shareholders owning Type A preference shares, including determination of or increasing the dividend amount and/or determination of or increasing the liquidation value payable on preference shares of the preceding priority according to the precedence, or where any advantages in terms of the order of priority in making dividend payments and/or payments of the liquidation value of shares will be granted to shareholders owning any other types of preference shares.

Shareholders owning Type A preference shares on which the payable dividend amount is set forth in this Charter, shall be entitled to vote in making decisions by General Shareholders' Meetings on all issues on the Meeting's agenda, starting from the Meeting immediately following the Meeting, at which a decision not to pay any dividends at all or pay just a portion of the dividends on Type A preference shares was adopted. The right of shareholders owning Type A preference shares to vote in making decisions by General Shareholders' Meetings shall be terminated once payments of dividends on such shares are made in full.

Shareholders owning Type A preference shares shall also accrue voting right in making decisions by General Shareholders' Meeting where decision is made to file an application requesting delisting of Type A preference shares;

10.4.4. to receive part of the property or the value of a portion of the property remaining after completion of settlements with the Company's creditors in the event of the Company's liquidation. The property remaining after settling creditors' claims shall be used to effect payments following the procedure prescribed in clause 37.11 of this Charter;

10.4.5. to receive from the registrar extracts from the shareholders' register and other information using the procedure stipulated for the holders of ordinary shares of the Company in clause 9.2.5 hereof;

10.4.6. to receive information contained in the Company's documents listed in clause 9.2.6 hereof, through the procedure stipulated by this Charter for owners of ordinary shares of the Company;

10.4.7. to exercise rights specified in clauses 9.2.1, 9.2.7, 9.2.8, and 9.2.9 hereof, in accordance with applicable law and this Charter.

10.5. Any shareholder owning Type A preference shares is obliged to:

- not disclose confidential information on the Company's operations;
- perform other obligations stipulated by this Charter and internal documents of the Company and comply with the decisions of the General Shareholders' Meetings and the Board of Directors, adopted within their respective authority.

#### **Article 11. Profit Distribution. Funds**

11.1. The Company's profits shall be taxable as stipulated by applicable law. The remaining profits of the Company, after payments of taxes and other compulsory payments are made to the budget, shall be at the entire disposal of the Company and shall be used by the Company at its own discretion.

11.2. The Company shall establish a reserve fund, allocating 5 (five) percent of the Company's net profits every year until the reserve fund amounts to 15 (fifteen) percent of the Charter Capital of the Company.

The reserve fund shall be used to cover the Company's losses, as well as to buy back the Company's shares or redeem its bonds where no other funds are available, in those cases and following such procedures as stipulated in this Charter.

The reserve fund may not be used for any other purposes.

11.3. In order to provide security for the Company's obligations and assure its production-related and social development to be funded by the Company's profits and other proceeds, the General Shareholders' Meeting

may decide to establish other funds by taking a decision on the issue specified in clause 14.2.10. of this Charter.

**Article 12. Dividends of the Company**

12.1. The Company is entitled to make a decision (declare) to pay dividends on placed shares based on the results of the reporting year as well as based on the results of the first quarter, six months and nine months of the reporting year. The Company, however, shall not guarantee making payments of dividends on the ordinary shares unless the General Shareholders' Meeting adopts an appropriate decision.

A decision on paying (declaring) dividends shall be passed by General Shareholders' Meeting. Such decision shall also determine the dividend amount payable on the shares of each category (type), form of dividend payments, procedure of making dividend payments in non-cash form, and the cut-off date to finalize the list of persons entitled to receive dividends, while in respect of the cut-off date determination, the decision shall be passed exclusively following a proposal of the Board of Directors.

12.2. Amount of dividend payable on Type A preference shares is set forth in clause 10.3 hereof.

12.3. Dividends shall be paid out of the Company's net profits (profit after taxes), posted in accounting (financial) statements of the Company. Dividends on Type A preference shares may be paid out of the funds specially designated for the purpose; the amount of such funds shall be determined, so that the amount of dividends paid out of such funds shall not be less than the amount set forth in clause 10.3. of this Charter.

12.4. Dividends shall be paid to registered in the shareholders' register nominal holders and trust managers who are professional securities market participants within 10 (ten) business days after the cut-off date on which the list of persons entitled to receive dividend payments is finalized,, and with respect to other persons registered in the shareholders' register dividends shall be paid within 25 (twenty five) business days after such cut-off date.

12.5. In making a decision on payment of (declaring) dividends, the Company shall be guided by applicable law setting forth limitations on the payment (declaration) of dividends.

12.6. The Company shall pay dividends in cash funds, except for the case where the General Shareholders' Meeting may decide to pay dividends in a different form in respect of the annual dividend payable on ordinary shares. Dividends on Type A preference shares shall be paid in cash funds only.

12.7. Payment of declared dividends in cash funds to shareholders who are entitled to receive dividends and are recorded in the register of shareholders of the Company may be suspended by the Company (hereinafter referred to as the "suspension of making dividend payments") provided that the conditions specified in subparagraphs 1–3 of par. 1 Article 43.1 of the Federal Law "On Joint Stock Companies" are simultaneously met.

12.8. The decision to suspend dividend payments shall be made by the Board of Directors at the same time with making a decision to hold a Meeting.

12.9. Information on the adoption of the decision specified in paragraph 12.8 of this Charter shall be disclosed by the Company in accordance with requirements of applicable securities law in the form of a notice of a material fact.

12.10. The Company shall ensure keeping records of shareholders in respect of whom making dividend payments was suspended.

12.11. Making dividend payment to a shareholder shall be resumed if, as on the cut-off date to finalize the list of persons entitled to receive dividends, a record of current information about the shareholder required for making dividend payments was made in the register of shareholders of the Company, or the registrar of the Company was in receipt of a request from the relevant shareholder confirming the accuracy of the information recorded in the register of shareholders.

**Article 13. Register of Shareholders. Registrar of the Company**

13.1. The Company shall ensure that that the register of the Company's shareholders is properly maintained and securely stored in accordance with requirements of the legal acts of the Russian Federation.

13.2. The register of shareholders of the Company shall be kept and maintained by an organization (hereinafter the "Registrar") holding an applicable license as prescribed by law.

The register of shareholders shall be maintained according to the regulations on maintaining the register of shareholders approved by the Registrar.

13.3. In the event that a shareholder fails to notify the Registrar of changes, neither the Company, nor the Registrar shall be held liable the damages arising in connection therewith.

13.4. The Registrar shall perform functions of the counting commission of the Company.

In this context the Registrar shall review powers of and register persons participating in the relevant Meeting, determine existence of the quorum to pass decision of the General Shareholders' Meeting, undertake measures to resolve issues related to exercising by shareholders (or their representatives) of the right to vote on issues put on the agenda, explain the procedure for voting on the Meeting's agenda items, count votes and sum up voting results, draw up the Minutes on voting results, and transfer voting ballots to the archive, confirm making a decision by the General Shareholders' Meeting and the list of the Company members.

In the course of performing functions of the counting commission, the Registrar shall comply with requirements contained in the internal regulations of the Company.

#### **Article 14. Competence of the General Shareholders' Meeting**

14.1. The General Shareholders' Meeting is the supreme body of the Company.

14.2. The competence of the General Shareholders' Meeting includes taking decisions with regard to the following issues that cannot be referred for decision-making to the Board of Directors, President or Management Board:

14.2.1. introduction of amendments and additions to this Charter with the exception of cases stipulated in the applicable law, or approval of a revised version of the Charter of the Company to be adopted by at least a three quarters majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.2. the Company's reorganization, the decision on which shall be adopted by at least a three quarters majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.3. the Company's liquidation, appointment of the Liquidation Commission, approval of the interim and final liquidation balance sheets, with decisions on these issues to be adopted by at least a three quarters majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.4. election of members of the Board of Directors, the decision on which shall be adopted following a cumulative vote procedure; early termination of powers of members of the Board of Directors, the decision on which shall be adopted by a simple majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.5. determination of the quantity, par value, category (type) of authorized shares, the decision on which shall be adopted by at least a three quarters majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.6. a decrease in the Charter Capital of the Company:

14.2.6.1. by acquiring part of shares to reduce their total number, or by cancelling shares acquired or bought back by the Company and not sold by it within 1 (one) year following such acquisition or buyback, in which case the decision shall be adopted by a simple majority vote of shareholders owning voting shares and participating in the Meeting;

14.2.6.2. by decreasing the par value of shares of the Company, in which case the decision shall be adopted by a three quarters majority vote of shareholders owning voting shares and participating in the Meeting;

14.2.7. election of members of the Audit Commission and early termination of their powers, the decision on which shall be adopted by a simple majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.8. appointment of an organization to audit the Company, the decision on which shall be adopted by a simple majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.9. payment (declaration) of dividends upon results of operations for the first quarter, six months and nine months of the reporting year, the decision on which is adopted by majority vote of shareholders owning voting shares of the Company participating in the Meeting; decision on payment (declaration) of dividends on preference shares of a certain type is taken by a majority vote of shareholders owning voting shares of the Company and participating in the Meeting, in which case votes of shareholders owning preference shares of this type cast for voting options expressed as "against" or "abstain" shall not be taken into account for counting of votes or determination of the existence of quorum for taking decisions on the specified issue;

14.2.10. approval of an annual report of the Company; annual accounting (financial) statements, distribution of profit (including payment (declaration) of dividends except for payment (declaration) of dividends upon

results of the first quarter, six months, nine months of a reporting year) and losses of the Company upon the results of the reporting year the decisions on which shall be taken by a simple majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.11. approval of the Regulations on the General Shareholders' Meeting, Regulations on the Board of Directors, Regulations on the President, Regulations on the Management Board, Regulations on the Audit Commission, as well as of amendments and additions to such Regulations, the decisions on which shall be adopted by a simple majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.12. determination of procedures to conduct General Shareholders' Meetings, the decision on which shall be adopted by a simple majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.13. an increase in the Charter Capital of the Company by raising par value of shares, the decision on which shall be adopted by a simple majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.14. an increase in the Charter Capital of the Company by placement of additional ordinary shares by public subscription where the number of additionally placed ordinary shares exceeds 25 (twenty five) percent of the ordinary shares, previously placed by the Company; such decision shall be adopted by at least a three quarters majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.15. an increase in the Charter Capital of the Company by placement of additional Company shares by private subscription; such decision shall be adopted by at least a three quarters majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.16. placing by the Company of bonds convertible into shares and other securities convertible into shares in the event that such bonds (or other issued securities) are placed through a private or public subscription, provided that, in the event of a public subscription, bonds (other issued securities) convertible into Company shares may be converted into ordinary shares of the Company amounting in total to more than 25 (twenty five) percent of the previously placed ordinary shares; such decision shall be approved by at least a three quarters majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.17. the Company share split and consolidation, the decision on which shall be adopted by a simple majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.18. consent for making or subsequent approval of related (interested) party transactions in cases stipulated by the Federal Law "On Joint Stock Companies", where a decision on the issue shall be taken by a majority of votes of shareholders, who own voting shares and take part the meeting, but are not an interested party in the transactions or controlled persons interested in their completion;

14.2.19. consent for making transactions or subsequent approval of major transactions in cases and following procedures stipulated in the Federal Law "On Joint Stock Companies";

14.2.20. participation in financial and industrial groups, associations and other alliances of commercial organizations, which shall be adopted by a simple majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.21. reimbursement, at the Company's expense, of expenses associated with the preparation and holding of an Extraordinary Meeting, if according to the court ruling, the extraordinary Shareholders' Meeting shall be held by the claimant. The to reimburse expenses shall be adopted by a simple majority vote of shareholders owning voting shares of the Company and participating in the Meeting;

14.2.22. filing an application for delisting of the Company shares and/or securities issued by Company and convertible into its shares, to be adopted as stipulated by Par. 4 Article 32 of the Federal Law "On Joint Stock Companies", the decision to take effect provided that the total number of shares in respect of which the buyback requests are filed according to Article 30 of this Charter shall not exceed the number of shares that allowed to be bought back by the Company given the restrictions set forth in Par. 5 Article 76 of the Federal Law "On Joint Stock Companies";

14.2.23. introduction of changes in the Charter to delete the statement that the Company is public to be introduced simultaneously with adopting a decision to file an application of the Company to the Bank of Russia with a request to relieve it from the obligation to disclose information pursuant to the Russian securities laws and a request regarding delisting of shares and issuable securities convertible into shares. The decision shall be taken by a 95 (ninety five) percent majority vote of all shareholders owning the Company shares of all categories (types). The decisions shall come into force provided that the total number of shares in respect of which a call for their buyback was filed does not exceed the number of shares that is allowed to be bought

back by the Company, given the restrictions set forth in Par. 5, Article 76 of the Federal law "On Stock-Exchanges".

14.2.24 other matters referred by the Federal Law "On Joint Stock Companies" to the competence of the General Shareholders' Meeting.

14.3. the General Shareholders' Meeting shall be entitled to adopt decisions on matters stipulated in clauses 14.2.2., 14.2.6.2., 14.2.11., 14.2.13., 14.2.14., 14.2.15., 14.2.16., 14.2.17., 14.2.18., 14.2.19., and 14.2.20., 14.2.23. exclusively following a relevant proposal of the Board of Directors.

14.4. the General Shareholders' Meeting is not entitled to consider and adopt decisions on any matter not referred to its competence by the Federal Law "On Joint Stock Companies".

14.5. the General Shareholders' Meeting shall not be entitled to adopt decisions on any issue not included in the Meeting agenda.

14.6. Any decision of the General Shareholders' Meeting adopted on issues not included in the agenda of the Meeting or adopted in violation of the competence of the General Shareholders' Meeting, or where no quorum for making decisions of the General Shareholder's Meeting existed or without the majority of the votes of shareholders required for passing the decision, as well as any decision of the General Shareholders' Meeting contradicting principles of law and order or morality shall be null and void.

### **Article 15. Annual session of the General Shareholders' Meetings**

15.1. The Company shall hold an annual session of the General Shareholders' Meeting (the "Annual Meeting") following the procedure stipulated by this Charter and the Regulations on the General Shareholders' Meeting.

15.2. Annual Meeting shall be held within a term determined by the Board of Directors and may not be held earlier than 4 (four) months or later than 6 (six) months following the end of the applicable reporting year.

15.3. Annual Meeting shall adopt decisions on the following issues:

15.3.1. approval of the Company's annual report; approval of the annual accounting (financial) statements, distribution of profit, including payment (declaration) of dividends, except for payment (declaration) of dividends upon the results of the first quarter, six months and nine months of the reporting year, approval of losses of the Company upon the results of the reporting year;

15.3.2. election of the Board of Directors;

15.3.3. election of the Audit Commission;

15.3.4. appointment of an auditing organization of the Company.

Agenda of an Annual Meeting may include other matters referred to the meeting competence pursuant to the Federal Law "On Joint Stock Companies".

15.4. The procedure of conducting Annual Meeting and notifying shareholders of convening such a meeting, as well as the list of materials to be provided to shareholders (information on the forthcoming Annual Meeting), shall be determined by the Board of Directors in accordance with provisions of this Charter and the Regulations on the General Shareholders' Meeting.

### **Article 16. Extraordinary General Shareholders' Meeting or absentee voting**

16.1. Conducted General Shareholders' Meetings of the Company, other than Annual Meetings, are deemed extraordinary meetings (the "Extraordinary Meeting").

16.2. An Extraordinary Meeting shall be held following a decision of the Board of Directors taken upon its own initiative, on the basis of a request of the Audit Commission, auditing organization of the Company, or that of a shareholder (or a group of shareholders) owning, as of the date of the request, at least 10 (ten) percent of the voting shares of the Company.

The procedure of making requests for holding an Extraordinary Meeting shall be set forth in the Regulations on the General Shareholders' Meeting.

16.3. The decision of the Board of Directors initiating convening of an Extraordinary Meeting, must also approve:

- the Meeting agenda;
- the method of passing decisions by the Meeting (at the Meeting or by absentee voting).

16.4. Decision either to hold an Extraordinary Meeting or to refuse to hold it shall be taken by the Board of Directors within 5 (five) days of the receipt of the request to hold the Meeting.

16.5. A decision by the Board of Directors to refuse to hold an Extraordinary Meeting following a request of initiators of holding the Meeting may be taken in the following cases:

- the procedure for submitting a request to convene an extraordinary General Shareholders' Meeting as set forth in Article 55 of the Federal Law "On Joint Stock Companies" is not complied with;
- the shareholder (or a group of shareholders) requesting to hold an Extraordinary Meeting does not own the number of the voting shares of the Company, as required in par. 1 Article 55 of the Federal Law "On Joint Stock Companies";
- no issue proposed to be put on the agenda of an extraordinary General Shareholders Meeting is referred to the competence of the meeting and/or complies with requirements, as set forth in the Federal Law "On Joint Stock Companies" and other legal acts of the Russian Federation;
- the proposed method of adopting decisions of the General Shareholders' Meeting on issues proposed for putting on the agenda does not comply with requirements of the Federal Law "On Joint Stock Companies".

16.6. A decision of the Board of Directors to hold an Extraordinary Meeting or substantiated decision to decline to hold such Extraordinary Meeting shall be sent to the persons requesting to hold such Meeting not later than 3 (three) days following the adoption of the relevant decision. If such proposals reached the Company from persons not registered in the register of the Company shareholders who directed (instructed) the person keeping records of their rights to shares, the said decision of the Board of Directors shall be sent to those persons at least 3 (three) days after the date of its adoption, pursuant to the rules set forth in the Russian securities law for provision of information and materials to persons exercising rights to securities.

#### **Article 17. Finalizing Agenda of the Session or Absentee Vote of General Shareholders' Meeting**

17.1. Agenda of a Meeting shall be approved by the Board of Directors of the Company.

The procedure for submitting proposals and approving the agenda of an Extraordinary Meeting is established by this Charter and the Regulations on the General Shareholders' Meeting.

17.2. A shareholder (or a group of shareholders) owning, in aggregate, at least 2 (two) percent of the voting shares of the Company, shall be entitled to make proposals of putting items on the agenda of an Annual Meeting and propose (nominate) candidates to the Board of Directors, the Audit Commission. The number of such nominees shall not exceed the quantity of members of the relevant body established by this Charter.

Such proposals should reach the Company not later than 60 (sixty) days following the end of applicable reporting year.

17.3. Procedure of making proposals regarding inclusion of items in the agenda and nominating candidates is detailed in the Regulations on the General Shareholders' Meeting.

17.4. Proposals of items for the agenda of Annual Meeting and nominating candidates (including self-nominations) should contain:

- wording of the proposed agenda items;
- surname, given name, patronymic (if any) (name of the organization) of the shareholder (shareholders) proposing the agenda item or nominating a candidate, and information on the shares owned (number, category, type);
- signature of the shareholder (shareholders) or authorized representative thereof. In the event that the proposal is signed on behalf of the shareholder by an authorized representative, the power of attorney (or a notarized copy of the power of attorney) or other evidence of the shareholder representative's authority (including the Minutes on the election of the representative as a party authorized to represent without a power of attorney a shareholder which is a legal entity) shall be attached to the proposed agenda items;
- surname, given name, patronymic, details of the identity document (series and/or number, date and place of issue, issuing authority) of the candidate to be nominated;
- the body of the Company for election to which the candidate is nominated;
- consent of each candidate for the election to the relevant body of the Company.

17.5. The Board of Directors is obliged to review duly proposed items and decide either to put items on the agenda of an Annual Meeting, or decline to put them on the agenda, and decide on inclusion of nominated candidates into the list of nominees for the election to the Board of Directors, Audit Commission or refuse the inclusion, not later than 5 (five) days following the expiry of the term set in this Charter for receipt of agenda item proposals.

17.6. The Board of Directors is entitled to refuse to put a proposed agenda item on the agenda of the Annual Meeting or refuse to include proposed candidates into the list of nominees for election, in the following cases only:

- the shareholder (shareholders) failed to meet the deadlines specified by par. 1 and 2 Article 53 of the Federal Law “On Joint Stock Companies”;
- the shareholder (shareholders) proposing agenda items does (do) not own the required number of voting shares of the Company, as specified by par. 1 and par. 2 Article 53 of the Federal Law “On Joint Stock Companies”;
- the proposal does not comply with the requirements specified by Par. 3 and Par. 4 Article 53 of the Federal Law "On Joint Stock Companies”;
- the issue proposed as an item of the agenda is not referred to the competence of the meeting and/or does not comply with requirements stipulated in the Federal Law "On Joint Stock Companies" and other legal acts of the Russian Federation.

17.7. A substantiated decision to decline to put a proposed agenda item on the agenda and refuse to include proposed candidates into the list of nominees for elections to the Board of Directors, Audit Commission shall be sent to the shareholder (shareholders) proposing the agenda item not later than 3 (three) days following the adoption of the relevant decision. If such proposals reached the Company from persons not registered in the register of the Company shareholders register that directed (instructed) the person keeping records of their rights to securities, the said decision of the Board of Directors shall be sent to such persons at least 3 (three) days from the date of its adoption pursuant to the rules stipulated by the Russian securities law for provision of information and materials to persons exercising rights to securities.

17.8. Proposals received by the Company on the inclusion of issues in the agenda of the Session of the Meeting and on the nomination of candidates to the Board of Directors and the Audit Commission may be withdrawn by the shareholders (shareholder) who submitted the proposals.

#### **Article 18. Conducting an Extraordinary session or absentee voting of a General Shareholders' Meeting**

18.1. An Extraordinary Meeting to be held upon a request of the Audit Commission, auditing organization of the Company or shareholder(s) owning, in aggregate, at least 10 (ten) percent of the voting shares, shall be held not later than within 40 (forty) days following the date of the receipt by the Company of the relevant request

In the event that the agenda of the Extraordinary Meeting, proposed by the Audit Commission, auditing organization of the Company or by shareholder(s) owning, in aggregate, at least 10 (ten) percent of the voting shares of the Company, includes an issue of electing members of the Board of Directors, such Extraordinary Meeting must be held within 75 (seventy five) days after the date of submitting the request to hold such Meeting.

In the event that, in accordance with the Federal Law "On Joint Stock Companies", the Board of Directors must adopt the decision to hold an Extraordinary Meeting to elect members of the Board of Directors, such Extraordinary Meeting shall be held within seventy (70) days following the date on which the Board of Directors adopted the decision to hold such a Meeting.

18.2. A notice of holding the General Shareholders' Meeting shall be communicated to persons entitled to vote in making decisions of the Meeting by posting it on the Company website in the Internet at [www.rt.ru](http://www.rt.ru).

Upon a decision of the Board of Directors the Company shall be entitled to provide additional information about holding a Meeting to persons entitled to vote in making decisions of the Meeting using the following means:

- by mail;
- by delivery of an e-mail message to the e-mail address of the appropriate person registered in the register of shareholders of the Company;
- by sending a text message explaining the procedure of reviewing the notice of holding a Meeting that was sent to the contact phone number or e-mail specified in the register of shareholders of the Company;
- notification through other media (TV, radio, print media).

18.3. A notice of holding a Meeting shall be given not later than 30 (thirty) calendar days before the date of the Meeting taking place, or the deadline for accepting voting ballots, except for the cases where an Extraordinary Meeting shall be held within 40 (forty) days after the request to convene the meeting (after the decision to hold such meeting was adopted), while the notice of holding the Meeting shall be given not later than 21 (twenty one) days before the date of its holding.

In cases stipulated in par. 2 and par. 8 Article 53 of the Federal Law "On Joint Stock Companies", the notice of an Extraordinary Meeting should be given at least 50 (fifty) days before the meeting.

The date of notifying about a General Shareholders' Meeting shall be determined according to the date of posting the notice of holding the meeting, in accordance with clause 18.2 hereof.

18.4. Information to be provided in the course of preparations for a Meeting to persons entitled to vote in making decisions of the Meeting shall include the following:

18.4.1. annual accounting (financial) statements of the Company and auditor's report on such statements of the Company, as well as opinion of the Audit Commission based on the results of reviewing such statements;

18.4.2. the Annual Report of the Company and opinion of the Audit Commission on the results of its review of the Annual Report and annual financial statements of the Company;

18.4.3. information on candidates nominated to the Board of Directors;

18.4.4. information on candidates nominated to the Audit Commission;

18.4.5. report issued by the internal audit;

18.4.6. information on the proposed auditing organization of the Company;

18.4.7. draft amendments and additions proposed for introduction into the Charter and internal regulations of the Company, and/or draft revised version of the Charter and internal regulations of the Company;

18.4.8. opinion of the Board of Directors regarding a major transaction;

18.4.9. a report on major transactions and interested party transactions made by the Company in the reporting year;

18.4.10. draft resolutions of the General Shareholders Meeting;

18.4.11. information about shareholder agreements made during one year before the date of a Meeting mentioned in Article 32.1 of the Federal Law "On Joint Stock Companies";

18.4.12. information on the total amount of unclaimed dividends of the Company, determined according to its accounting (financial) statements on the last reporting date before the decision to hold the Annual Meeting was made;

18.4.13. information on the total number of shareholders to whom sending of notices of holding a Meeting and/or voting ballots, making payments of dividend were suspended, and on the portions of shares owned by them in the authorized capital of the Company and in the total number of voting shares of the Company;

18.4.14. Other information (materials) that are required for taking decisions on matters on the agenda of the General Shareholders' Meeting that are included by the decision of the Board of Directors in the list of information (materials) to be provided to shareholders in the course of preparations for the General Shareholders' Meeting.

Information mentioned in clauses 18.4.1–18.4.11 of this Charter shall be provided following procedures established herein, if the relevant items are put on the agenda of a Meeting.

18.5. Materials to be provided in preparations for a Meeting to persons entitled to vote in making decisions of the Meeting shall not be distributed to shareholders. Any person entitled to vote in making decisions of the Meeting may review such materials at the addresses indicated in the notice.

A person entitled to vote in making decisions of the Meeting may receive, at the specified addresses, copies of all materials of the meeting, and request to send such materials to his/her address by mail, provided that the mailing costs are borne by the addressee.

Where a General Shareholders' Meeting is held with remote participation, a notice of such a meeting must be posted on the Company website in the Internet information and telecommunications network, and the information (materials) as prescribed in Article 52 of the Federal Law "On Joint Stock Companies" must be made available within the timeframes established by it for review by persons entitled to vote in making decisions of the General Shareholders' Meeting, on the website specified in the notice of a Meeting held with remote participation.

18.6. A General Shareholders' Meeting has legal capacity to pass decisions (a quorum for holding a Meeting exists), if shareholders possessing in aggregate more than half of the placed voting shares of the Company participated therein.

18.7. In the event that the agenda of a Meeting includes items to be voted on by different types of voting shareholders, existence of the quorum required for voting on such items shall be determined separately.

Herewith, absence of a quorum required for voting on items where some sets of shareholders categories are eligible to vote shall not prevent adoption of decisions on other items where other sets of shareholders categories are eligible to vote and required for voting quorum exists.

18.8. If no quorum for holding the annual General Shareholders' Meeting exists, a reconvened Meeting with the same agenda must be held.

If no quorum for holding an Extraordinary General Shareholders' Meeting or for making decisions by an absentee voting exists, a reconvened Meeting or repeated absentee voting with the same agenda may be held.

Where the Board of Directors initiated holding the General Shareholders' Meeting, it shall be entitled by its decision to convene a repeated General Shareholders' Meeting to change the method of making its decisions.

18.9. A notice of holding a reconvened Meeting or absentee voting shall be given using means stipulated in this Charter. In such cases, the deadline for giving such notice shall not be later than 21 (twenty one) days prior to the date of holding the reconvened Meeting, and not later than 21 (twenty one) days prior to the deadline for accepting voting ballots at the repeated absentee voting.

A notice of holding a reconvened Meeting or repeated absentee voting, the agenda of which includes the issue of the Company's reorganization, shall be given not later than 30 (thirty) days prior to the date of holding the reconvened Meeting, and not later than 30 (thirty) days prior to the last day of accepting voting ballots for absentee voting.

18.10. A reconvened Meeting or repeated absentee voting of a General Shareholders' Meeting called instead of the meeting that failed to take place shall be deemed to have legal capacity to pass decisions if shareholders (or shareholders' representatives) possessing, in aggregate, at least 30 (thirty) percent of the voting shares of the Company participated in it, given the specifics of the procedure of quorum existence determination in accordance with clauses 18.6 and 18.6 of this Charter.

18.11. In the event that a reconvened Meeting or repeated absentee voting is held earlier than 40 (forty) days following the date of the failed Meeting or deadline for accepting voting ballots at the absentee voting deemed failed, the persons entitled to vote in making decision of the General Shareholders' Meeting at such reconvened Meeting or in holding such repeated absentee voting shall be determined (identified) as on the date on which persons entitled to vote in making decisions of the General Shareholders' Meeting at the Meeting or in holding absentee voting, which failed to take place, were determined (recorded).

#### **Article 19. Persons Entitled to Vote in Making Decisions of General Shareholders' Meeting**

19.1. A list of persons entitled to vote in making decisions of the General Shareholders' Meeting shall be drawn up pursuant to the rules of Russian securities laws for making a list of persons exercising rights to securities as of the date set by the Board of Directors (the "cut-off date").

19.2. The date on which the persons entitled to vote in making decisions of the General Shareholders' Meeting shall be finally determined (recorded) shall not be earlier than 10 (ten) days after the date of adopting decision to hold a Meeting, or later than 25 (twenty five) days prior to the date of holding a Meeting or deadline for accepting voting ballots in holding absentee voting; and in the cases prescribed by par. 2 and par. 8 Article 53 of the Federal Law "On Joint Stock Companies", namely where the agenda of an Extraordinary Meeting includes election of members of the Board of Directors), such date shall not be later than 55 (fifty five) days prior to the date of holding the Meeting or deadline for accepting voting ballots for holding absentee voting.

Where the agenda contains an issue of the Company restructuring, the date on which persons entitled to vote in making decisions of a General Shareholders' Meeting are determined (recorded) shall be not later than 35 (thirty five) days prior to the date of holding the Meeting or deadline for accepting voting ballots in holding absentee voting.

Information on the date of finalizing the list of persons entitled to vote in making decisions of the General Shareholders' Meeting shall be disclosed by the Company at least 7 (seven) days before the date occurrence.

19.3. The list of persons entitled to vote in making decisions of the Meeting shall contain details stipulated by the applicable law.

19.4. The following persons shall be included in the list of persons entitled to vote in making decisions of a General Shareholders' Meeting:

- shareholders owning ordinary shares of any issue of the Company;
- shareholders owning preference shares of the Company of any type in those cases, where the agenda of the General Shareholders' Meeting includes an issue on which the preference share of that specific type grants the voting right, or where owners of preference shares are granted the right to vote on all matters

falling within the competence of the General Shareholders' Meeting, in accordance with Article 32 of the Federal Law "On Joint Stock Companies";

- other persons in cases prescribed in applicable law.

Any changes to the list of persons entitled to vote in making decisions of the General Shareholders' Meeting may be introduced only in the case of restoring violated rights of persons not included in the aforementioned list as of the date of its compiling, or in the case of correcting errors made in the course of compiling such a list.

19.5. The list of persons entitled to vote in making decisions of a General Shareholders' Meeting, with the exception of information on the expression of will of such persons, shall be provided by the Company for review at the request of persons included in this list and holding at least 1 (one) percent of the votes, while information enabling identification of individuals included in this list, with the exception of the surname, first name, patronymic, is provided only subject to consent of such persons.

19.6. If any shares are transferred after the date on which persons entitled to vote in making decisions of the Meeting are determined (recorded), and prior to the date of holding the Meeting or prior to sending ballots for voting in the absentee voting, a person included in such a list must either issue to the buyer of shares, previously held by such person, a power of attorney granting the buyer the right to vote, or vote at the Meeting according to instructions issued by the buyer of shares, if the foregoing is provided for in the relevant share transfer agreement.

19.7. The right to participate in a General Shareholders' Meeting may be exercised by shareholder, either in person or through a representative. At any time a shareholder shall be entitled to replace his/her representative or participate in person in a Meeting or absentee voting.

19.8. Transfer of rights (powers) to a shareholder's representative shall be exercised on the basis of provisions of federal legislation or acts of governmental bodies duly authorized thereto or acts of municipal self-administration, or by issuing a written letter of authorization – power of attorney.

A power of attorney authorizing participation in the voting shall be executed in accordance with requirements stipulated by applicable law.

#### **Article 20. Holding a General Shareholders' Meeting or absentee voting**

20.1. Decisions of a General Shareholders' Meeting shall be made in a Meeting, including one held jointly with absentee voting, or without holding a Meeting (absentee voting).

20.1.1. Participation in a General Shareholders' Meeting may also be effected remotely using electronic or other technical means following the procedure set forth in the Federal Law "On Joint Stock Companies" and "Regulations on General Shareholders' Meeting";

Any General Shareholders' Meeting with remote participation shall be held with a possibility of actual presence at the venue where it is held.

The Company shall also be entitled to hold a General Shareholders' Meeting with remote participation without determining its venue and without a possibility of presence at the venue.

Where a General Shareholders' Meeting is held with remote participation, live image and sound of the Meeting shall be transmitted in real time, and access to the transmission shall be provided by the Company to all persons entitled to vote in making decisions of the General Shareholders' Meeting (their representatives) who registered for participation in the Meeting.

The Company shall store recording of the transmission of the Meeting with remote participation together with the minutes of the Meeting for the period stipulated by law.

20.1.2. Absentee voting for making decisions of a General Shareholders' Meeting shall be carried out by sending ballots, including using electronic or other technical means.

Where voting at a General Shareholders' Meeting is performed jointly with absentee voting, votes shall be cast using ballots that are sent, handed over or published following the procedure set forth in Article 60 of the Federal Law, no later than 20 (twenty) days before the date of the General Shareholders' Meeting.

Ballots used for absentee voting, carried jointly with voting in a General Shareholders' Meeting shall end 2 (two) days before the date of holding such Meeting.

A notice of holding a General Shareholders' Meeting for making its decisions, where voting at the Meeting is carried out jointly with absentee voting, and the agenda of such Meeting shall serve at the same time as a notice of the absentee voting and agenda of such absentee voting respectively.

20.2. Decisions of the General Shareholders' Meeting on issues related to the election of the Board of Directors, of the Audit Commission, appointment of an auditing organization, as well as on issues set forth in subparagraph 11, par. 1, Article 48 of the Federal Law "On Joint Stock Companies" may be taken only in a General Shareholders' Meeting, including a General Shareholders' Meeting, where voting is carried out jointly with absentee voting.

20.3. Alongside shareholders and their authorized representatives, a General Shareholders' Meeting may also be attended by other persons as provided for in the Regulations on the General Shareholders' Meeting, with the rights specified in the above Regulations.

20.4. A decision of the Board of Directors to hold a General Shareholders' Meeting shall approve:

- the method of making decisions of the General Shareholders' Meeting;
- the form and text of the voting ballot (ballots) as well as wording of decisions on the items on the agenda, to be distributed in an electronic form (in the form of electronic documents) to nominal shareholders recorded in the register of shareholders of the Company;
- the possibility of remote participation in a Meeting, procedure for accessing remote participation in the Meeting, including methods for reliably identifying persons participating remotely in the Meeting, the possibility of presence at the venue of holding the Meeting or holding it without determining its venue;
- the date, venue and time of holding a Meeting, the deadline for accepting ballots for voting, or information that a Meeting with remote participation will be held without determining its venue;
- the cut-off date for finalizing (recording) the persons entitled to vote in making decisions of the General Shareholders' Meeting;
- the deadline for accepting shareholders' proposals on nominating candidates to be elected as members of the Board of Directors, if the agenda of an extraordinary General Shareholders' Meeting includes election of the Board of Directors;
- the deadline for accepting voting ballots by the Company;
- the agenda;
- procedure of notifying shareholders about holding a Meeting;
- a list of information items (materials) to be provided to shareholders in the course of preparation for holding a Meeting or absentee voting of the General Shareholders' Meeting, and the procedure(s) of their provision;
- mailing address to which completed voting ballots may be sent and methods of signing voting ballots in accordance with the Federal Law "On Joint Stock Companies", if votes are cast by ballots, as well as information on the possibility of completing and sending voting ballots in an electronic form using other electronic or other technical means;
- the date, venue and time of starting the registration of participants in the General Shareholders' Meeting;
- a notice of the necessity for shareholders recorded in the register of shareholders of the Company to provide to the registrar of the Company information regarding changes in their essential data, including address information, banking details.

20.5. The Board of Directors shall determine the share buyback price if voting on certain items put on the agenda may according to the Federal Law "On Joint Stock Companies", result in arising of shareholders' right to demand a buyback of their shares by the Company.

In the course of resolving issues related to preparations for holding a General Shareholders' Meeting the Board of Directors shall make decision regarding a possibility of shareholders' participating in an electronic form in the General Shareholders' Meeting, including such participation by sending completed voting ballots by e-mail and/or by completing an electronic voting ballot form on the website in the Internet. The address of such Internet website on which shareholders can be registered for participation in the General Shareholders Meeting, and where the electronic form of voting ballots can be completed, and/or e-mail address to which completed voting ballots can be sent shall be determined by the Board of Directors and specified in the notice of holding the General Shareholders' Meeting.

The decision of the Board of Directors to hold a Meeting shall also resolve other matters stipulated in applicable laws.

20.6. Requirements to be met by the form and text of the voting ballot, text of the notice of holding a General Shareholders' meeting are established by this Charter and the Regulations on the General Shareholders' Meeting.

20.7. Any location within the territory of the Russian Federation, where the Company or its Branches or Representative Offices are domiciled, may be determined as the venue for holding a General Shareholders' Meeting, or no venue will be determined in the event of holding a General Shareholders' Meeting with remote participation.

**Article 21. Voting in General Shareholders' Meeting. Voting Ballots. Counting Votes upon Voting. Protocol of and Report on Voting Results. Finalizing Results of General Shareholders' Meeting**

21.1. Voting in any General Shareholders' Meeting shall be based on the principle "one vote per one voting share of the Company", save for the cases of cumulative voting at the election of members of the Board of Directors and certain other cases, as stipulated by the Federal Law "On Joint Stock Companies".

21.2. Voting in a Meeting on the meeting agenda items shall be accomplished by using voting ballots only.

Receipt by the Registrar of notices expressing the will of persons entitled to vote in making decisions of a General Shareholders' Meeting who are not registered in the Company's shareholder register and who pursuant to the applicable securities law issued voting instructions (directions) to persons keeping records of their rights to securities shall be treated as equivalent to voting by ballots.

The Company must distribute voting ballots to shareholders within the term and following procedures stipulated in Article 60 of the Federal law "On Joint Stock Companies" and this Charter. Voting ballots shall be sent in the form of an electronic message, containing an attachment with an electronic file of ballots, to the e-mail address of the relevant person specified in the register of shareholders of the Company.

Where a Meeting with remote participation is held, a possibility of filling out and sending voting ballots in electronic form may be provided (except for sending to an e-mail address); in this case the electronic form of voting ballots for filling out and sending using electronic or other technical means must be available during a period that begins not later than 20 days and ends 2 (two) days before the date of holding a General Shareholders' Meeting, voting at which is held jointly with absentee voting, as well as in the course of the Meeting for those participating in it, or at least 20 days before the deadline for accepting voting ballots for holding absentee voting.

In the course of holding a General Shareholders' Meeting, it may be possible for persons participating in the Meeting to fill out and send voting ballots in electronic form, using electronic or other technical means, including sending to the e-mail address specified in the notice of holding the Meeting, and/or a possibility of sending electronic images of completed voting ballots to the e-mail address specified in the notice of holding the Meeting. Where a General Shareholders' Meeting with remote participation is held, it must be possible in the course of the Meeting to fill out and send voting ballots in electronic form using electronic or other technical means.

Where absentee voting is held, voting ballots shall be sent to the postal address specified in the notice of holding absentee voting. In the event of holding absentee voting, the Charter of the Company may provide for the possibility of filling out and sending voting ballots in electronic form using electronic or other technical means, including sending to the e-mail address specified in the notice of holding absentee voting, and/or the possibility of sending electronic images of the filled out voting ballots to the e-mail address specified in the notice of holding absentee voting.

While resolving issues related to preparation to holding a General Shareholders' Meeting the Board of Directors, may determine other ways of sending ballots to shareholders.

21.3. The form and text of voting ballot(s) shall be approved by the Board of Directors of the Company pursuant to requirements of applicable law.

21.4. Requirements to be met for signing voting ballots and reasons for recognizing a ballot invalid in terms of voting on one, several or all issues on the agenda of the General Shareholders' Meeting included in the voting ballot, as well as reasons for disregarding votes on a voting ballot in determining the existence of a quorum at the General Shareholders' Meeting, are set forth in the law.

21.5 Based on the voting results, the registrar shall draw up the protocol on voting results in 2 (two) counterparts not later than 3 (three) business days after the closing of a General Shareholders' Meeting or deadline for accepting voting ballots in the vent of absentee voting.

Upon finalizing the protocol on the results of holding a Meeting or absentee voting and Minutes of voting results of the General Shareholders' Meeting, voting ballots in hard copy shall be sealed by the registrar and transferred for safekeeping to the Company's archives.

The Company shall ensure safekeeping of information on the expression of will of persons who are not registered in the register of shareholders of the Company and, in accordance with requirements of the securities law of the Russian Federation, issued voting instructions (directions) to persons keeping records of their rights to shares, as well as of received voting ballots in electronic form or electronic images of completed voting ballots.

Protocol on voting results shall be enclosed in the Minutes of the General Shareholders' Meeting.

Decisions passed by the General Shareholders' Meeting, as well as the voting results, may be announced in the General Shareholders' Meeting at which the voting took place, and shall be made known to those included in the list of persons entitled to vote in making decisions of the General Shareholders' Meeting, in the form of a report on the voting results following the procedure set forth for giving a notice of holding a Meeting or absentee voting of the General Shareholders' Meeting, not later than 4 (four) business days following the closing of the General Shareholders Meeting or the deadline for accepting voting ballots, if absentee voting was held.

If on the date of final determination (recording) of persons entitled to vote in making decisions of a General Shareholders' Meeting, a person registered in the register of shareholders of the Company was a nominee shareholder, the information included in the report on the voting results shall be provided to the nominee shareholder pursuant to the rules of securities law of the Russian Federation regarding provision of information and materials to persons exercising rights to securities.

21.6. Two counterparts of the Minutes of the General Shareholders' Meeting shall be drawn up not later than 3 (three) days following the closing of the General Shareholders' Meeting or deadline for accepting voting ballots in the event of absentee voting. Both counterparts shall be signed by the person presiding at the Meeting and by the Secretary of the General Shareholders' Meeting.

21.7. The Minutes of the General Shareholders' Meeting shall contain details required by law.

21.8. To ensure accessibility of decisions taken by the General Shareholders' Meeting the Company shall as soon as possible post the protocol of a General Shareholders' Meeting and/or report on the voting results on its website in the Internet.

## **Article 22. Regulations on the General Shareholders' Meeting**

22.1. Matters of holding, conducting and making records of results of a General Shareholders' Meeting and other matters related to preparation for, and holding General Shareholders' Meetings of the Company not covered hereunder shall be governed by Regulations on the General Shareholders' Meeting, to be adopted at a General Shareholders' Meeting by a majority vote of shareholders owning the Company's voting shares and participating in the Meeting.

## **Article 23. The Board of Directors**

23.1. The Board of Directors shall consist of eleven members.

23.2. The competence of the Board of Directors of the Company shall include decision-making pertaining to the overall management of the Company's operations, except for the issues referred by the Federal Law "On Joint Stock Companies" to the competence of a Meeting.

23.3 Taking decisions on the following issues shall be within the competence of the Board of Directors:

23.3.1. determining the priority aspects of the Company's operations, including approval of the Company's annual business plan, development strategies and programs, making amendments in the aforementioned documents and examination results of their implementation, including approval of a report on meeting key performance indicators of the Company;

23.3.2. holding Annual and Extraordinary Meetings of the Company, except for the cases stipulated in par. 9 Article 55 of the Federal Law "On Joint Stock Companies";

23.3.3. approval of the agenda of a Meeting and formulating a position of the Board of Directors on issues on the agenda of the Meeting and/or regarding candidates to membership of the Board of Directors or the Audit Commission;

23.3.4. setting the date for determining (recording) persons entitled to vote in making decisions of a General Shareholders' Meeting (the "cut-off date") and other matters related to preparing a General Shareholders' Meetings referred to the competence of the Board of Directors of the Company pursuant to the Federal Laws and this Charter;

23.3.5. submitting matters covered by clause 14.3 hereof to the General Shareholders' Meeting for decision making;

23.3.6. increasing the Company's Charter Capital through placement by the Company of additional shares within the limits of the quantity and categories of authorized shares, as determined by the Charter, except for issues covered in clauses 14.2.14 and 14.2.15 of the Charter;

23.3.7. determining the market value of property under applicable Russian Law and this Charter and the placement price or the rules for its determination, and the buyback price of the issued securities according to the Federal Law "On Joint Stock Companies";

23.3.8. acquisition of shares, bonds and other securities placed by the Company, in the circumstances as stipulated by the Federal Law "On Joint Stock Companies";

23.3.9. disposals of the Company's shares owned by the Company;

23.3.10. determining the quantity of members of the Management Board and appointment, as well as termination of the powers of its members;

23.3.11. determining the amount of remuneration payable to the Company's auditing organization, recommendations pertaining to the amounts of remuneration and compensation payable to the members of the Audit Commission;

23.3.12. recommendations on the distribution of profits, including the amount of dividends on the Company shares and procedures of their payment, as well as the Company's losses; approval of the internal regulations on dividends payable on the shares of the Company, making amendments and additions thereto, and declaring it invalid, making a decision to suspend making dividend payment in cases prescribed by applicable law;

23.3.13. application of the reserves and other funds of the Company;

23.3.14. approval of the Company's internal documents, alongside those mentioned in clause 23.3 of this Charter, governing matters falling within the competence of the Board of Directors, except for internal documents, approval of which is referred by the Federal Law "On Joint Stock Companies" to the competence of a Meeting, making amendments and additions to such documents, and declaring them invalid;

23.3.15. the Company's participation in not-for-profit organizations, with the exception of entities set forth in clause 14.2.20 herein:

- setting up an organization by founding it,
- joining an organization as a member,
- terminating participation, except for the cases of terminating activities of an organization, of which the Company is a member,
- making additional contributions (donations) related to the Company's participation in not-for-profit organizations;

23.3.16. participation and termination of participation of the Company in other commercial organizations (except for the cases where participation or termination of the participation results from re-organization or liquidation of the commercial organization pursuant to a decision of the management of such organization or court decision);

23.3.17. change of the amount of the Company's participatory interest in a commercial organization (except for the cases where such change results from re-organization of the commercial organization pursuant to a decision of the management of such organization or court decision);

23.3.18. determination of the position of the Company (representatives of the Company) pertaining to the examination by the management bodies of its subsidiaries or dependent companies (in cases of direct participation of the Company in such business entities) of issues related to purchase by them of shares (stakes in the equity capital) of other business entities, in particular, upon their incorporation, in case the value of such transaction makes 15 (fifteen) or more percent of the book value of the assets of a relevant subsidiary or dependent company, calculated on the basis of the accounting (financial) statements as of the latest accounting date, except for any of the cases:

- the value of such transaction does not exceed 0.5 (one half) percent of the book value of the Company assets, determined according to the Company accounting (financial) statements as of the latest reporting date,
- the participation interest of such subsidiary or dependent company in another business entity remains the same;

23.3.19. determination of the standpoint of the Company (representatives of the Company) pertaining to examination by the management bodies of its subsidiaries or dependent companies of issues related to purchases and disposals of the Company shares;

- 23.3.20. filing application for listing of the Company's shares and/or issuable securities, convertible to the Company shares;
- 23.3.21. consent for making or subsequent approval of transactions in the instance provided for under Article 31 of this Charter;
- 23.3.22. consent for making or further approval of transactions in the situation stipulated in Article 32 of this Charter;
- 23.3.23. appointment of the President, determination of his/her term of office, and early dismissal of and termination of the contract with the President;
- 23.3.24. approval of decisions to issue shares and issuable securities convertible into shares; of bond issue programs; terms and conditions of placement of shares and issuable securities convertible into shares; prospectuses for securities and reports on the results of the acquisition of the Company's shares subject to buyback procedure, reports on the results of share buyback, reports on the results of the call to shareholders to buy back their shares, as well as making changes in the decisions to issue shares and issuable securities convertible into shares; in bond issue programs; terms and conditions of placement of shares and issuable securities convertible into shares; and/or securities issue prospectuses;
- 23.3.25. approval of the registrar and terms and conditions of the agreement with the registrar; decision-making pertaining to termination of such agreement;
- 23.3.26. reimbursement of the members of the Management Board and other officers of the Company for losses, incurred by them in connection with the performance of their official duties and/or exercise of powers of members of the Management Board, as a result of lawsuits, claims, demands filed against members of the Management Board or other officers of the Company or application of property sanctions by any third parties, including the state and municipal agencies;
- 23.3.27. recognition of candidates for the Board of Directors as meeting independence criteria, carrying out analysis of compliance of members of the Board of Directors with independence criteria, recognition of a member of the Board of Directors as an independent director or having lost the status of an independent director;
- 23.3.28. review of the report of the Company's auditing organization;
- 23.3.29. approval of the terms and conditions of the contract (addenda thereto) with the President;  
payment of bonuses to the President in compliance with his/her contract (or addenda thereto),  
approval of the Company's key performance indicators for the purpose of rewarding the President, if the contract (or addenda) signed with him/her provides for paying any bonuses to the President on the basis of such indicators,  
incurring extra costs related to medical treatment of the President, his/her spouse and children that are not covered by the medical insurance, if, in accordance with the contract (or addenda) signed with the President, the Company is entitled to effect such payments,  
granting a leave without pay to the President,  
payment of an extra lump-sum grant to the President in case of mutilation, injury, or other damage to health suffered by the President in connection with performance by him/her of his/her duties, or in connection with an occupational disease, if it is preventing the President from performing his/her duties, provided that, in accordance with the contract (or addenda) signed with the President, the Company is entitled to effect such payments,  
payment of an extra lump-sum grant to the family of the President in case of his/her death during the effective term of his/her employment contract, apart from the payments stipulated by applicable law, if, in accordance with the contract (or addenda) signed with the President, the Company is entitled to effect such payments;
- 23.3.30. approval of the terms and conditions of a contract (or addenda) signed with the Director of the structural division discharging the functions of the Company's internal auditor, as well as deciding on the making bonus payments to such person in compliance with his/her contract (or addenda);  
approval of the terms and conditions of the contract (or addenda) signed with the Corporate Secretary of the Company, as well as making decisions on making bonus payments to the Corporate Secretary in compliance with his/her contract (or addenda thereto);
- 23.3.31. placement by the Company of additional shares into which to be converted preference shares of a certain type placed by the Company and convertible into ordinary shares, or preference shares of other types, unless this placement will result in an increase of the Charter Capital of the Company, as well as placement

- by the Company of bonds and other issuable securities, except shares and bonds or other issuable securities convertible into shares;
- 23.3.32. placement by the Company of bonds convertible into shares and of other issuable securities convertible into shares by the Company, where such bonds (or other issuable securities) are placed by public subscription and may be converted into ordinary shares of the Company, amounting to 25 (twenty five) or less percent of the previously placed ordinary shares of the Company;
- 23.3.33. adoption of recommendations with respect to a voluntary or obligatory offer that was made in compliance with the Federal Law "On Joint Stock Companies";
- 23.3.34. election (and re-election) of the Chairman and Vice Chairman of the Board of Directors, Senior Independent Director;
- 23.3.35. preliminary approval of a candidate for the Corporate Secretary of the Company and dismissal of the Corporate Secretary of the Company initiated by the Company; preliminary approval of a person that will ensure normal operation of the Board of Directors and will act as a Secretary of the Board of Directors during the period of absence of the Corporate Secretary; approval of the Regulations on the Corporate Secretary and the Staff of the Corporate Secretary, and revisions of and amendments to this document, and declaring it invalid;
- 23.3.36. issuing a consent for the person performing the functions of the sole person executive body of the Company, or members of the collective executive body of the Company to simultaneously hold positions in the governing bodies of other organizations;
- 23.3.37. giving permission to the person performing the functions of the sole person executive body of the Company to be simultaneously employed on a secondary employment basis by other employer;
- 23.3.38. appointment of standing or ad hoc committees (for consideration of specific issues) of the Board of Directors, determining the number of committee members, appointment of its Chairman and members, and termination of their powers, introduction of changes in the membership, and approval of the regulations on such committees, making amendments and additions to the Regulations on committees of the Board of Directors, and declaring such documents invalid;
- 23.3.39. approval of internal regulations on disclosures of information about the Company, of the procedure of accessing and using nonpublic information about transactions with financial instruments of the Company, including its securities, made by persons having access to such information, making amendments and additions to such internal regulating document(s), and declaring them invalid, as well as approval of reports on compliance with requirements of the said documents;
- 23.3.40. approval of the Regulations on a structural subdivision performing the functions of the Company's internal auditor, making amendments and additions to such document(s), and declaring them invalid; provisional approval of a candidate for the position of the head of the structural subdivision, performing the functions of the Company's internal auditor and dismissal of such person from his/her position initiated by the Company; approval of the working plan of the structural subdivision performing the functions of the Company's internal auditor, approval of adjustments made to this plan and evaluation of its results, approval of an internal document (documents) determining Company policy on making arrangements for and performance of an internal audit, making amendments and additions to the document (documents) to be approved, and declaring it (them) invalid;
- 23.3.41. approval of the internal document(s) on internal control over financial and operational activity of the Company, as well as the risk management systems within the Company, making amendments and additions to such documents, and declaring them invalid;
- 23.3.42. provisional approval of appointment of the person responsible for organizing and maintaining the risk management framework in the Company and dismissal of such person initiated by the Company, approval of the terms and conditions of the agreement (and any addenda thereto) on exercising functions pertaining to organizing and maintaining the risk management in the Company and taking decisions regarding payment of bonuses to an employee that organizes and maintains the risk management in the Company pursuant to the agreement (addenda) that were made with him/her;
- 23.3.43. approval of programs (procedures, or other documents) for risk management in the Company, making adjustments to such documents, and evaluation of the results of the Company's risk management activities;
- 23.3.44. approval of internal regulating documents related to meeting by the Company of requirements of foreign law standards and mandatory requirements of stock exchanges, on which bonds and securities of the Company and their derivative instruments are traded, making amendments and additions to such documents, and declaring them invalid;

23.3.45. initial approval of engagement of third party specialists on a fee basis, in order to assist in performing of the audit of the Company's operations, carried out by the Internal Audit Commission; establishment of a procedure(s) of remuneration and other essential conditions of involvement of specialists, engaged for a fee, in an audit being conducted by the Internal Audit Commission;

23.3.46. approval of the Company's Corporate Governance Code, making amendments and additions to the document under approval, and declaring it invalid;

23.3.47. approval of the working plan of the Board of Directors and its adjustment (making amendments thereto);

23.3.48. approval of Regulations on procurement of goods, works and services, and making amendments and additions to the said document, as well as declaring it invalid;

23.3.49. review of reports about transactions made by the Company insiders with the Company's financial instruments, including its securities;

23.3.50. approval of the internal document laying down the procedure of keeping records and disposal of non-core assets (property) of the Company, making amendments and additions to the said document, and declaring it invalid;

approval of an inventory of non-core assets of the Company, making amendments and additions to such inventory of the Company's non-core assets,

approval of a report on the progress in the implementation of the program of disposal of non-core assets of the Company,

determination of the method of disposal of the Company's non-core assets included in the inventory of the Company's non-core assets;

23.3.51. approval of a methodology and candidate for the position of an independent consultant to evaluate performance of the Board of Directors, its committees and members, review of results of self-assessment or external evaluation of the performance of the Board of Directors, its committees and members, review of proposals on improving the performance of the Board of Directors and its committees given the results of the evaluation;

23.3.52. making recommendations to the Company's executive bodies on any matters pertaining to the Company's activities;

23.3.53. canceling or amending decisions previously adopted by the Board of Directors;

23.3.54. approval of the report on major transactions made by the Company in the reporting year and related party transactions, to be provided to persons entitled to vote in making decisions of a General Shareholders' Meeting, in the course of preparation for holding the Meeting;

23.3.55. taking a decision to acquire by the Company during organized trading of shares which were placed by the Company, that was taken to accomplish goals defined by such decision in accordance with the share acquisition program, approval of the share acquisition program, making changes to such program, and approval of a report on the results of the implementation of such program;

23.3.56. other matters referred by this Charter and the Federal Law "On Joint Stock Companies" to the competence of the Board of Directors.

23.4. Resolutions of the Board of Directors shall be taken by a majority vote of all elected members of the Board of Directors (who are not exited members), except for cases where this Charter or applicable law stipulate a different number of votes required for approval of a resolution.

In the event of a tie vote the Chairman of the Board of Directors shall cast the casting vote.

If unanimity among the members of the Board of Directors is not reached regarding consent for making or subsequent approval of a major transaction, where adoption of a decision requires unanimous vote according to applicable Federal laws or this Charter, the Board of Directors may decide to submit such matter for decision-making to the General Shareholders' Meeting.

23.5. Issues assigned hereunder to the exclusive competence of the Board of Directors may not be referred to the President or the Management Board for decision-making.

23.6. In the course of exercising their rights and performing their duties, members of the Board of Directors shall act in the best interests of the Company, exercising their rights and performing their duties soundly and in good faith. Otherwise, members of the Board of Directors shall be held jointly and severally liable to the Company as prescribed in applicable law.

23.7. The Board of Directors shall ensure conducting regular assessment of the performance of the Board of Directors, its committees and members.

23.8. Matters of the legal status of the Board of Directors not covered hereunder shall be governed by the Regulations on the Board of Directors, as approved by a Meeting by a majority vote of shareholders participating in the meeting.

**Article 24. Election of the Board of Directors**

24.1. Members of the Board of Directors shall be elected at an Annual General Shareholders' Meeting.

The term of office of members of the Board of Directors shall be effective as from the moment of their election by the Annual Meeting until a new membership of the Board of Directors is elected at the immediately succeeding annual General Shareholders' Meeting.

If the annual General Shareholders' Meeting was not held within the timeframe set forth in accordance with par. 3 Article 47 of the Federal Law "On Joint Stock Companies", powers of the Board of Directors shall be terminated, with the exception of the powers to prepare and hold the annual General Shareholders' Meeting.

If at the Annual Meeting no decision to elect members of the Board of Directors was passed, powers of the Board of Directors shall be terminated, with the exception of the powers to prepare and hold an Extraordinary Meeting to make a decision of electing members of the Board of Directors.

24.2. Those elected to the Board of Directors may be re-elected an unlimited number of times.

24.3. Members of the Board of Directors shall be elected by a cumulative vote following a procedure prescribed in the Federal Law "On Joint Stock Companies".

24.4. A General Shareholders' Meeting may decide to early terminate powers of members of the Board of Directors, however, such decision may only be taken applicable to all members of the Board of Directors all at once.

In the event of early termination of powers of the Board of Directors, powers of the new Board of Directors shall be deemed valid until the next forthcoming annual General Shareholders' Meeting.

24.5. In the event that the quantity of the members of the Board of Directors falls below half of the quantity set forth in clause 23.1 hereof, the Board of Directors shall convene an Extraordinary Meeting in order to elect a new Board of Directors. The remaining members of the Board of Directors shall only be entitled to decide on holding such an Extraordinary Meeting.

24.6. President and members of the Management Board may not account for more than one quarter of the membership of the Board of Directors, and none of them shall serve as Chairman of the Board of Directors.

Rights and duties of members of the Board of Directors shall be determined in the Regulations on the Board of Directors.

**Article 25. Chairman of the Board of Directors**

25.1. The Chairman (Chairperson) of the Board of Directors shall be elected by members of the Board of Directors from its membership.

25.2. The Board of Directors may re-elect its Chairman, at any time.

25.3. The Chairman of the Board of Directors shall:

- organize activities of the Board of Directors;
- make a decision to hold a Meeting or absentee voting for the Board of Directors to pass a resolution;
- preside at the meetings of Board of Directors;
- arrange for keeping minutes upon results of holding a Meeting or absentee voting for the Board of Directors to pass resolutions (hereinafter the "Minutes of the Board of Directors").

25.4. The Board of Directors shall have the right to appoint a Vice-Chairman to the Board of Directors. In the absence of the Chairman of the Board of Directors, his/her functions (including the right to sign documents) shall be performed by the Vice Chairman, and in the absence of the latter, by a member of the Board of Directors following a relevant decision of the Board of Directors.

**Article 26. Meetings (absentee voting) of the Board of Directors**

26.1 Meetings (or absentee voting) of the Board of Directors shall be held from time to time as required, but at least once in three (3) months.

Where decisions of the Board of Directors are passed at its meeting the voting at the meeting may be held jointly with absentee voting following the procedure and timeline prescribed by the Regulations on the Board of Directors.

It may also be possible to participate remotely in meetings of the Board of Directors using appropriate electronic or other technical means, if methods applied for remote participation enable reliable identification of the person participating in the meeting remotely, and provide a possibility for such person to take part in discussions of the issues on the agenda and vote on the agenda items put for voting.

Meetings of the Board of Directors with remote participation may be held with a possibility of presence at the venue of holding the relevant meeting or without determining the venue of its holding.

Decision to hold a meeting or absentee voting of the Board of Directors shall be made by the Chairman of the Board of Directors at his/her own initiative or at the request of any member of the Board of Directors, a committee of the Board of Directors, the Audit Commission, the auditing organization of the Company, the sole or collective executive body of the Company, head of the internal audit subdivision or shareholder(s) owning, in aggregate, at least 2 (two) percent of the voting shares of the Company. Procedure of preparing and holding a meeting or absentee voting to pass decisions of the Board of Directors shall be determined pursuant to the Regulations on the Board of Directors.

26.2. A quorum required for passing decisions of the Board of Directors shall be at least half of the elected members of the Board of Directors.

In determining existence of a quorum and results of voting by the members of the Board of Directors, a ballot of any member of the Board of Directors absent at the meeting shall be taken in account in accordance with the Regulations on the Board of Directors.

26.3. For the purposes of decision-making of the Board of Directors, each member of the Board of Directors shall have one vote.

A member of the Board of Directors may not delegate his/her vote to another member of the Board of Directors, or any other person.

In the event of a tie vote of the members of the Board of Directors, the Chairman of the Board of Directors shall have the right of a casting vote.

26.4. A resolution of the Board of Directors may be approved by absentee voting in accordance with the Regulations on the Board of Directors.

26.5. Holding a meeting of the Board of Directors and results of voting at the meeting, including voting at a meeting where voting is held jointly with absentee voting, as well as results of absentee voting shall be confirmed by the Minutes of the Board of Directors. Content, timeline for preparing and procedure for signing the said Minutes are stipulated in the Federal Law "On Joint Stock Companies" and Regulations on the Board of Directors.

26.6. Remuneration payable to members of the Board of Directors is to be paid on the basis of a decision of a General Shareholders' Meeting in amounts and following the procedure set forth in the Regulations on the Board of Directors, except for the cases when a General Shareholders' Meeting, regardless of the reasons for doing so, failed to pass a decision to pay any remuneration or decided pay remuneration in different amounts and following a different procedure.

A General Shareholders' Meeting shall be entitled to make a decision to compensate expenses incurred by members of the Board of Directors in the course of performing their duties, including indemnification for damages suffered by members of the Board of Directors in the course of performing their duties and/or exercising their powers as members of the Board of Directors, arising from any lawsuits, claims, actions filed against them or any pecuniary sanctions imposed by third parties, including those filed or applied by state or municipal authorities.

**Article 27. The President (Sole Person Executive Body) and the Management Board (Collective Executive Body)**

27.1. The Company's day-to-day operations shall be managed by the Company's sole person executive body (the President) and the collective executive body (the Management Board).

All matters of managing the Company's day-to-day operations shall fall within the competency of executive bodies of the Company, except for those matters which are referred to the authority of the General Shareholders' Meeting and the Board of Directors.

27.2. The President shall be appointed by the Board of Directors for a term of not more than 5 (five) years, with a possibility of being re-appointed for an unlimited number of times. The proposal to nominate a candidate

to hold the position of the President shall specify his/her name, the company by which he/she is employed and the position held by him/her in such a company, and contain information on positions held by him/her in governing bodies of other organizations. The rights, duties, liability and remuneration of the President shall be determined pursuant to the agreement between the President and the Company. The agreement with the President shall be signed for the entire term of office as determined by the Board of Directors. The Board of Directors shall be entitled at any time to early terminate the powers of the President.

27.3. The President shall manage the day-to-day operations of the Company and shall be granted, in accordance with applicable law all the necessary powers required to accomplish this task. The President shall be responsible for maintaining the classified status of the conducted works and for development and implementation of all the measures required to protect the state secrets of the Russian Federation. The President shall act in strict compliance with applicable laws and this Charter.

The President shall perform the functions of the Chairman of the Management Board.

27.4. The President shall act as follows on behalf of the Company without a power of attorney:

27.4.1. to represent the Company within the Russian Federation as well as abroad;

27.4.2. to preside at the General Shareholder' Meetings in accordance with the Regulations on the General Shareholders' Meeting unless other person is determined by the Board of Directors to do so;

27.4.3. to organize implementation of the decisions of a Meeting and of the Board of Directors;

27.4.4. to manage in general operations of the Branches;

27.4.5. to approve internal regulatory documents of the Company, except for those which are subject to approval by a Meeting, the Board of Directors and/or by the Management Board according to the Federal Law "On Joint Stock Companies" and this Charter;

27.4.6. to determine the structure and headcount of the Company's human resources, amounts, procedure and form of making payment of compensations for labor, based on the internal motivation regulating documents approved by the Management Board;

27.4.7. to issue orders and instructions, which are mandatory for all the employees of the Company;

27.4.8. to hire, transfer and dismiss employees, including Directors and employees of the Branches, as well as exercise other rights and discharge other duties of the Company as an employer within the framework of labor relations as stipulated in applicable law and the Charter;

27.4.9. to approve subject to provisions of this Charter, positions of the Company's employees, including those of the Branches, unless powers to appoint (dismiss) such employees are delegated by the President to other persons;

27.4.10. to complete any transactions on behalf of the Company within the limits set forth in the Federal Law "On Joint Stock Companies" and the Charter;

27.4.11. to sign financial, payment (accounting) and other documents of the Company;

27.4.12. to issue powers of attorney on behalf of the Company (including those granting the assignment right);

27.4.13. to open bank accounts for the Company;

27.4.14. to approve the list, scope and procedures of measures to protect information constituting trade secrets, issue orders and instructions on how to meet trade secret protection requirements;

27.4.15. to approve internal control procedures;

27.4.16. to approve documents and take decisions in the course of securities issue procedure, except for the cases where approval of such documents and decision-making are referred by applicable law or this Charter to powers of other governing bodies of the Company, including:

- setting the purchase price of bonds placed by the Company or the procedure of the price determination,
- making decisions on the start date of bond placement by the Company,
- making decisions on setting forth the procedure of determination of the interest rate (bond coupon rate) of the Company bonds excluding the amount of the interest (coupon) rate determined during trading held by a stock exchange at the stage of bonds placement,
- making decisions on redemption before maturity of bonds placed by the Company if the decision to issue such bonds provides for a possibility of such redemption before maturity, determination of number(s) of coupon period(s), on which expiry date (dates) redemption before maturity is contemplated, as well as dates on which redemption before maturity is stipulated;

27.4.17. to exercise other powers pursuant to applicable law and this Charter.

The President shall be entitled to ask the Board of Directors for recommendations regarding taking a decision on any matter related to the Company's activities.

27.5. The Management Board is the Company's collective executive body, to be guided in its operation by this Charter and the Regulations on the Management Board approved by a General Shareholders' Meeting.

27.6. All the Members of the Management Board of the Company, except for the Chairman of the Management Board of the Company, shall be appointed by the Board of Directors. Pursuant to the Federal Law "On Joint Stock Companies", powers of the Chairman of the Management Board shall be exercised by the person performing the functions of the President.

The Board of Directors shall be entitled to terminate at any time powers of any member (all members) of the Management Board.

If the quantity of members of the Management Board becomes less the number required for quorum as set forth in par. 27.12. hereof, the Board of Directors must adopt a resolution on electing members of the Management Board or creating an entirely new membership of the Management Board.

27.7. The following matters of the management of the Company's day-to-day activities are referred to the competency of the Management Board:

27.7.1. determination of the Company's technical, financial, economic and pricing policy;

27.7.2. preparation of proposals on the key domains of the Company's operations, including approval of annual business plans of the Company, development strategies and programs, adjustment of the aforementioned documents and evaluation of the results of their implementation;

27.7.3. making arrangements for monitoring of the Company's financial and business operations;

27.7.4. setting forth the human resources and social policies of the Company;

27.7.5. preparation of materials and draft resolutions on issues to be considered at the General Shareholders' Meeting and by the Board of Directors, including preparation of proposals on completing transactions where consent to complete them or subsequent approval thereof is referred to the competency of General Shareholders' Meeting and the Board of Directors, on the Company's participation in other organizations, etc.;

27.7.6. adopting decisions on changing the nominal value of interest, number of shares or par value of shares owned by the Company in a commercial organization, unless such changes result in changing the size of the Company's owned interest in a commercial organization;

27.7.7. formulating of the Company standpoint in voting on issues referred to the competency of general meetings of members of commercial organizations, of which the Company is a member, in making decisions on matters resulting in the termination of the Company's participation in such organizations, in a change in the size of participation interest, par value of participation interest, a change in the number of shares or nominal value of shares owned by the Company; as well as determination of the Company's (the Company's representatives) standpoint according to the third paragraph of clause 23.3.18 of this Charter;

27.7.8. formulating the Company's standpoint on matters referred to the competencies of general meetings of members of subsidiaries and dependent companies (those of supreme management bodies of organizations having other legal and organizational forms), where the Company is the sole member;

27.7.9. creation and liquidation of Branches, opening and closing Representative Offices, approval of (declaring invalid) regulations on Branches (Representative Offices), making amendments and additions thereto;

27.7.10. organizational and technical support of activities of the Company's bodies;

27.7.11. approval of internal documents regulating matters that fall within the competency of the Management Board of the Company, except for the internal documents approval of which is referred to the competency of General Shareholders' Meeting and the Board of Directors, making amendments and additions to such documents, and declaring them invalid;

27.7.12. analyzing performance of the Company's structural subdivisions, branches and other standalone units of the Company and issuing compulsory for execution instructions to improve their performance;

27.7.13. organizational matters related to the Company's Branches and Representative Offices;

27.7.14. setting forth planning and budgeting methodology of the Company;

27.7.15. setting forth the Company's security policy;

27.7.16. approval of an internal document regulating general provisions on employee motivation, as well as evaluation and decision-making pertaining to the execution of collective bargaining agreements and arrangements, making amendments and additions to such documents, and declaring them invalid;

27.7.17. establishing standing or ad hoc committees (for examination of specific matters related to preparation of the Management Board resolutions) under the Management Board, which are not independent bodies of the Company; approval of related regulations, making amendments and additions to such regulations, and declaring them invalid;

27.7.18. other matters referred by this Charter to the competency of the Management Board.

27.8. The Management Board of the Company may also resolve other issues pertaining to the management of the Company's day-to-day operations, as instructed by the Board of Directors, or as proposed by Committees of the Board of Directors or the President, except for decisions on matters referred to the competency of the General Shareholders' Meeting or the Board of Directors.

27.9. The Management Board is entitled to ask the Board of Directors for recommendations with respect to decision-making on any issue related to the Company activities.

27.10. Where a matter to be reviewed by the Management Board, at the same time falls within competency of the Management Board on the basis of other reasons, stipulated in this Charter, such a decision shall be deemed adopted for all relevant reasons.

27.11. The Management Board shall hold its meetings or absentee voting from time to time as required. Minutes shall be kept at the meetings of the Management Board. The Chairman of the Management Board shall arrange for the meetings or absentee voting of the Management Board and sign the Minutes thereof.

Minutes of the Management Board shall be signed by the Chairman of the Management Board and provided to members of the Board of Directors, Audit Commission, head of the structural subdivision responsible for organizing and implementing internal audit, and the Company's auditing organization upon their request.

Minutes of the Management Board shall contain information stipulated by par. 4.1 Article 68 of the Federal Law "On Joint Stock Companies" and the Regulations on the Management Board.

Voting at a meeting of the Management Board may be held jointly with absentee voting.

It may also be possible to participate remotely in meetings of the Management Board using electronic or other technical means, as appropriate, if methods applied for remote participation enable reliable identification of the person participating in the meeting remotely, and provide a possibility for such person to take part in discussions of the issues on the agenda and vote on the agenda items put for voting. Meetings of the Management Board with remote participation may be held with a possibility of presence at the venue of holding the relevant meeting or without determining the venue of its holding.

27.12. At least half of appointed members of the Management Board shall constitute a quorum for passing decisions of the Management Board. Decisions of the Management Board shall be passed by a majority of votes of members of the Management Board taking part in a meeting (absentee voting). In the event of a tie vote on a resolution, the Chairperson of the Management Board shall have the casting vote. It is prohibited to delegate the voting right by any member of the Management Board to any other person, including any other member of the Management Board.

27.13. The person performing the functions of the President and members of the Management Board may only hold office in other organizations with the consent of the Board of Directors.

Remuneration for performing functions of members of the Management Board shall be payable only on the basis of a decision of the Board of Directors.

27.14. Matters concerning the legal status of the President and members of the Management Board that are not covered hereunder shall be determined pursuant to the Regulations on the President and the Regulations on the Management Board, approved by a General Shareholders' Meeting.

## **Article 28. Supervising the Company's Financial and Business Operations**

28.1. In order to supervise the Company's financial and business operations, the Company shall establish an Audit Commission (hereinafter, the "Audit Commission"), special-purpose structural subdivisions performing supervisory and risk management functions in the Company, and appoint an independent auditing organization (the "Auditor").

28.2. The Audit Commission shall be an independent supervisory body of the Company elected at an Annual General Shareholders' Meeting for the term in office lasting until the next Annual General Shareholders' Meeting is held, and consisting of 7 (seven) members.

The Audit Commission shall be deemed to have been formed if at least half of the total membership of the Audit Commission, as stipulated by this Charter, were elected.

28.3. Powers of any or all of the members of the Audit Commission may be early terminated by a decision of the General Shareholders' Meeting, for reasons and following the procedure prescribed in the Regulations on the Audit Commission.

If actual membership of the Audit Commission becomes less than half of the total number of members of the Audit Commission as stipulated by this Charter, the Chairman of the Audit Commission shall, within 5 (five) days upon the occurrence of such an event, notify the Board of Directors. The Board of Directors shall thereafter have to call an extraordinary General Shareholders' Meeting to appoint a new Audit Commission.

The remaining and new members of the Audit Commission shall only perform their functions pending the election of a new Audit Commission at the extraordinary General Shareholders' Meeting.

In the event of early termination of powers of the entire membership of the Audit Commission, powers of the new Audit Commission shall be valid until the next annual General Shareholders' Meeting is held.

28.4. Both a shareholder and any person proposed by a shareholder or the Board of Directors can serve as a member of the Audit Commission. Members of the Audit Commission may not simultaneously serve as members of the Board of Directors, the President, members of the Management Board or those of the liquidation commission.

28.5. The Audit Commission shall elect its Chairman (Chairperson) and Secretary from among its members.

28.6. The following falls within the competency of the Audit Commission:

- verification of compliance of documents related to financial and business operations of the Company, including executed agreements and completed transactions, with requirements of applicable law and regulations;
- confirmation of the accuracy of data contained in reports and other financial documents
- verification of compliance of accounting and financial reporting procedures with requirements of existing regulatory documents;
- analyzing the financial position of the Company;
- analyzing whether settlements with budgets of various levels and settlements with shareholders of the Company were timely and correct;
- evaluating the economic efficiency of financial and business operations of the Company.

28.7. Inspection (audit) of the Company's business operations shall be performed upon results of the Company's activities over a year.

An inspection (audit) of the Company's business operations can also be initiated:

- by the Audit Commission per se;
- by the General Shareholders' Meeting;
- by the Board of Directors;
- or at the request of the shareholder(s) owning, in aggregate, at least 10 (ten) percent of the Company's voting shares, eligible to vote on all matters within the competency of the General Shareholders' Meeting, as of the date of the request.

Shareholders initiating an inspection (audit) shall submit to the Company, addressed to the Chairman of the Audit Commission, a written request, which shall contain: the full name of the shareholder(s), information on the number and category (type) of the shares of the Company held by him/her/them and the signature of the shareholder or his authorized representative. If the request is signed by a shareholder's representative, the request shall be accompanied with a power of attorney (or a duly certified copy thereof) or other written statutory evidence of the representative's powers.

The Audit Commission may refuse to conduct an inspection (audit) in the following cases:

- persons making the request to conduct an inspection (audit) of the Company's financial and business operations are not entitled to initiate the said inspection (audit);
- based on the facts that served as the reason for requesting an inspection (audit) of the Company's financial and business activities the applicable inspection (audit) was completed and the Audit Commission approved the final report;

- the request to conduct an inspection (audit) of the Company's financial and business activities does not comply with applicable law.

28.8. At the request of the Audit Commission, officers of the Company's governing bodies shall provide documents on the financial and business operations of the Company.

28.9. The Audit Commission shall have the right to request holding an extraordinary General Shareholders' Meeting in accordance with procedure provided for herein.

28.10. Upon results of a completed inspection of the financial and business operations of the Company, the Audit Commission shall issue a final report containing:

- confirmation of the true and accurate nature of data contained in the statements and other financial documents of the Company;
- notes on any actual violations of the statutory procedures of account keeping and presenting financial (accounting) statements established in Russia, as well as violations of legal acts of the Russian Federation in the course of financial and business activities.

28.11. To ensure implementation of continuous internal audit of the conduct of any business operations, a special-purpose structural subdivision independent of the Company's executive bodies and controlled directly by the Board of Directors shall be established in the Company.

An internal document approved by the Board of Directors shall determine functions of the said structural subdivision, its regulations, procedures for appointing and dismissing employees, and requirements to be met by them.

28.12. The Auditor of the Company shall conduct an annual audit of the annual accounts (financial) statements of the Company in compliance with applicable legal acts of the Russian Federation on the basis of a contract made by the Company with such Auditor.

28.13. A General Shareholders' Meeting shall appoint the auditing organization of the Company which must be independent in accordance with applicable law.

The remuneration amount payable for the services of the Company's Auditor shall be determined by the Board of Directors.

#### **Article 29. Purchase by the Company of Placed Shares**

29.1. The Company shall have the right to purchase its placed shares following the procedure provided for hereunder in the following instances:

29.1.1. pursuant to a decision made at a General Shareholders' Meeting to reduce the Charter Capital of the Company by acquiring part of the placed shares so as to reduce their total number;

29.1.2. pursuant to a decision of the Board of Directors.

29.2. The Company shall purchase shares following the procedure and within the timeline set forth in the Federal Law "On Joint Stock Companies".

29.3. Any shareholder owning shares of the categories (types) to be purchased shall be entitled to sell them, and the Company shall purchase such shares.

29.4. In the event that the total number of shares offered to the Company exceeds the number of shares the Company may purchase pursuant to the decision of the General Shareholders' Meeting or the Board of Directors, the shares shall be purchased from shareholders on a pro rata basis.

#### **Article 30. Buyback by the Company of Placed Shares**

30.1 Shareholders owning voting shares shall be entitled to demand that the Company buy back all or part of their shares in the event that a General Shareholders' Meeting adopts decisions on the following matters, while these shareholders either voted against such decisions, or did not participate in the voting at all:

- the Company's reorganization;
- giving consent to making or subsequent approval of a major transaction involving property valued at over 50 (fifty) percent of the book value of the Company's assets, calculated according to the data contained in its accounting (financial) statements as of the latest reporting date (including a transaction, which is an interested party transaction at the same time);
- making amendments and additions to the Company's Charter, or approval of a revised version of the Company's Charter, resulting in any restrictions of their rights;

- matters set forth in par. 3 Article 7.2 and subpar. 19.2 par. 1 Article 48 of the Federal Law "On Joint Stock Companies".

30.2. The list of shareholders entitled to demand that the Company buy back their shares shall be compiled on the basis of the data contained in the list of persons who were entitled to vote in making decisions of a General Shareholders' Meeting, where voting on matters, included in the agenda gave rise to creation of rights to demand a buyback of shares and accordingly to raising demands by the shareholders against the Company for a buyback by the Company of shares held by them.

30.3. The total amount of funds allocated by the Company for a buyback of shares shall not exceed 10 (ten) percent of the value of the Company's net assets, as of the date of passing the decision that gave rise to the shareholders rights to demand that the Company buy back their shares.

In the event that the total number of shares requested to be bought back exceeds the number of shares which the Company is able to buy back given the above restriction, shares shall be bought back from shareholders pro rata to the raised demands.

30.4. Shares that are bought back by the Company shall be in the Company's possession. The Company shares owned by the Company shall not grant voting rights, shall not be taken into account in the determination of existence of a quorum or voting results, they are not treated as being in circulation for the purposes of the Federal Law "On Joint Stock Companies", and accrue no dividends. Such shares shall be sold at a price not lower than their market value within one (1) year from the date of transfer to Company of the ownership right for the bought back shares; otherwise, a General Shareholders' Meeting shall within a reasonable time pass a resolution to reduce the Charter Capital of the Company by cancelling such shares.

**Article 31. Major Transactions and Transactions Related to the Company's Direct or Indirect Acquisition, Disposal or a Possibility of Disposal of the Property Valued at from 0.5 up to 25 percent of the Book Value of the Company's Assets**

31.1. Major transactions shall be made by the Company pursuant to Article X of the Federal Law "On Joint Stock Companies".

31.2. The Board of Directors shall give its consent to completion of major transactions or a series of interlinked transactions connected with acquisition, disposal or possibility of disposal by the Company, directly or indirectly, of a property with the price or book value of from 0.5 (one half) to 25 (twenty five) percent of the book value of the Company's assets, as determined by its accounting and financial statements as of the latest reporting date, except for:

- 1) transactions related to placement of bonds in the course of trading conducted by a stock exchange;
- 2) transactions entered into in the course of public trading or as a result of public trading if terms and conditions of such trading or participation in such trading were approved by the Board of Directors in advance;
- 3) transactions entered into in the normal course of business of the Company. By the Company's normal course of business is meant provision by the Company or to the Company of network interconnection services and traffic routing services, as well as other telecommunications services, including but not limited to local, intra-area, domestic long-distance and international telephony services; mobile radiotelephony services; communications services for circuit provision; data services; ICT services; provision of access to communications service using access codes to access telecommunications services; communications services for the purpose of cablecasting; universal communications services, services for remote servicing of subscribers; services for provision of computing capacity (resources), deployment of technological resources in data centers (colocation), as well as supply of telecommunications equipment, works (services) for installation, operation and maintenance of technological and telecommunications equipment, engineering surveys and all types of design work;
- 4) governmental contracts/contracts concluded with the Company as with the sole supplier/provider/contractor) on the basis of decisions or acts of the President of the Russian Federation or the Government of the Russian Federation, as well as amendments, additions to and termination of such contracts; agreements and other transactions concluded with persons, which are members of the same group with the Company, for the purpose of fulfilling governmental contracts/contracts described in this clause of the Charter;
- 5) contracts (agreements) on granting subsidies to the Company as stipulated in Article 78 of the Russian Budget Code No145-FZ of 31.07.1998;
- 6) transactions containing information constituting a state secret, and related transactions;

7) transactions aimed at receiving and/or provision by the Company of loans, credit facilities, opening bank deposits, at receiving bank guarantees, financial lease (leasing) agreements, agreement of funding against assignment of monetary claims (factoring), assignment of the right of claim (cession) agreements, surety agreements, if the value of such transaction (transactions) does not exceed 1 (one) percent of the book value of the Company assets.

In order for an issue specified in the first paragraph of this Clause to be submitted for decision-making of the Board of Director, the value of the property to be acquired or disposed of shall be compared with the book value of the Company assets:

- in the case of a property acquisition, the purchase price, including VAT and any other indirect taxes or duties;
- in the case of disposal or possibility of disposal of a property item: either the value of the property item to be disposed of, exclusive of VAT and any other indirect taxes and duties, as determined by the Parties to the transaction, or the book value of the property item, whichever is greater.

31.3. In the event that a transaction specified in clause 31.2 hereof is at same time an interested party transaction, provisions of Article 32 hereof only shall apply to the procedure of such transaction completion.

**Article 32. Transaction where there is a Party interested in the completion by the Company of the transaction**

32.1. Transactions where there is a party interested in the completion of the transaction by the Company (the "Interested party transactions") shall be completed by the Company in compliance with Chapter XI of the Federal Law "On Joint Stock Companies".

32.2. If the Board of Directors gave its consent to making any interested party transaction, such transaction can be completed any time after receiving such consent.

**Article 33. The Corporate Secretary of the Company. The Staff of the Corporate Secretary**

33.1. Based on a decision of the Board of Directors, a special person, called the Corporate Secretary of the Company shall be appointed with assigned tasks of ensuring compliance of the Company's executive bodies and officers with applicable procedural requirements securing implementation of rights and interests of shareholders.

33.2. Rights and duties, responsibilities, the term of office, amount of remuneration and liability of the Corporate Secretary shall all be determined by relevant internal documents of the Company, by the Regulations on the Corporate Secretary and Staff of the Corporate Secretary, approved by the Board of Directors, and by an employment agreement made by and between the Corporate Secretary and the Company. The employment agreement with the Corporate Secretary shall be signed by the Chairman of the Board of Directors on behalf of the Company.

33.3. In order to ensure efficient performance by the Company's Corporate Secretary of his/her duties, the Staff of the Corporate Secretary of the Company shall be set up in the Company. The staff members, their number and duties, and structure of such Staff of the Corporate Secretary shall be determined by an internal document of the Company approved by the Board of Directors.

**Article 34. The Company's Accounting and Accounting (Financial) Reporting**

34.1. The Company shall maintain its accounts and books and submit accounting (financial) statements following procedures and within the timeline prescribed by applicable law and this Charter.

The Company is required to prepare interim consolidated financial statements for 3, 6, 9 months of the reporting year, as well as annual consolidated financial statements in accordance with Federal Law No. 208-FZ of 27.07.2010 "On Consolidated Financial Statements".

The Company shall submit interim and annual consolidated financial statements to federal executive authorities in accordance with applicable law and decisions of the Government of the Russian Federation.

34.2. The President shall be responsible according to legal acts of the Russian Federation for organizing and status of bookkeeping in the Company, and credibility and reliability of information in the Company's books, timely filing with relevant authorities of accounting (financial) statements and information on the Company's activities provided to shareholders and creditors, as well as disclosed in accordance with applicable law.

34.3. The accounting policy and arrangements for documents flow within the Company and its Branches and Representative Offices shall be approved by an order of the President.

34.4. The Audit Commission shall confirm the true and accurate nature of information contained in the annual report of the Company and its annual accounting (financial) statements.

In order to audit the Company's annual accounting (financial) statements the Company shall engage an auditing organization having no property-related interests in the Company or its shareholders.

34.5. The Company's annual report shall be subject to preliminary approval of the Board of Directors at least 30 (thirty) business days before the date of the annual General Shareholders' Meeting.

34.6. The Company shall disclose information required under par. 1 Article 92 of the Federal Law "On Joint Stock Companies".

### **Article 35. The Company's Documents**

35.1. The Company shall keep documents in the scope and following procedure established by applicable law.

35.2. The Company shall keep documents specified in clause 35.1 hereof at the location of its sole person executive body according to procedure and during the time period established by applicable law.

35.3. The Company is obliged to provide shareholders with access to documents in accordance with applicable law, as well as provide shareholders with copies of documents. The fee charged by the Company for provision of these copies may not exceed the cost of their production and applicable shipment (mailing) costs, if it stated in the request to provide them that it is necessary to send them to the address specified by the requesting shareholder.

### **Article 36. Reorganization of the Company**

36.1. The Company may be voluntarily reorganized by a decision of a General Shareholders' Meeting.

Other reasons and procedures for the Company's reorganization shall be determined in applicable law.

36.2. The Company may be reorganized by way of merger, acquisition, division, spin-off or transformation. Reorganization of the Company using simultaneously different forms of reorganization is permitted using the procedure provided for under the Federal Law "On Joint Stock Companies".

36.3. Except for reorganization in the form of a merger into, the Company shall be deemed reorganized as of the moment of the state registration of a newly established legal entity/entities.

In the event of the Company's reorganization by its merger with another company, the former shall be deemed reorganized as of making by the state registration authority an entry in the unified state register of legal entities that the merged company ceased its operations.

36.4. If necessary, this Charter shall be amended due to reorganization.

In cases stipulated by the applicable law, a deed of transfer shall be executed in the event of the Company reorganization to set forth provisions on succession of all obligations of the Company in relation to all its creditors and debtors, including obligations disputed by the parties, as well as the procedure for determining succession in connection with the change of type, inventory, value of the property, as well as creation, changes and termination of the rights and obligations of the Company, which may occur after the date of the deed of transfer.

36.5. In the course of reorganization after an entry of the start of reorganization is made in the unified register of legal entities the Company under the reorganization shall twice publish once a month in the mass media publishing information on state registration of legal entities a notice of its reorganization meeting requirements of par. 6.1 and 6.2 Article 15 of the Federal Law "On Joint Stock Companies". If two or more companies are involved in reorganization, the notice of the reorganization on behalf of all companies involved in the reorganization shall be published by the company that was the last to adopt the decision to reorganize, or by the party identified in the decision on reorganization. In the event of a company reorganization its creditors shall be provided with guarantees set forth in Article 60 of the Russian Civil Code.

State registration of the companies founded as a result of reorganization, and making entries of termination of all operations by the reorganized companies shall be effected subject to availability of sufficient evidence/proof that a proper notice of the reorganization was given to creditors following a procedure stipulated in par. 6 Article 15 of the Federal Law "On Joint Stock Companies".

Where the deed of transfer does not make it possible to identify the legal successor of the Company, the legal entities established as a result of such reorganization shall be jointly and severally liable for the obligations of the reorganized company to its creditors.

### **Article 37. Liquidation of the Company**

37.1. The Company may be liquidated voluntarily pursuant to a decision of General Shareholders' Meeting, or a court decision in circumstances and following procedure provided for in applicable law.

37.2. In the event of the Company's voluntary liquidation, the Board of Directors shall submit the issue of the Company's liquidation and appointment of a liquidation commission to the General Shareholders' Meeting for decision-making.

A decision to liquidate the Company and appoint a liquidation commission with the number of members equal to that of the Board of Directors, as determined hereunder, Shall be adopted by the General Shareholders' Meeting.

In the event of compulsory (forced) liquidation, a court may appoint the liquidation commission and also determine an appropriate number of its members.

37.3. Once a liquidation commission has been appointed, it shall be vested with all and any powers to manage affairs of the Company. The liquidation commission shall represent the Company in court.

The liquidation commission shall be liable according to provisions of applicable law for any harm caused to the Company, its shareholders and third parties.

37.4. The liquidation commission shall publish in mass media publishing information on registration of legal entities a notice of the Company's liquidation, specifying procedure and time limit for filing any claims by its creditors. The time limit set out for filing claims by creditors shall not be less than 2 (two) months after the date of publication of the notice of the Company's liquidation.

37.5. If there are no outstanding obligations of the Company to creditors as of making the decision to liquidate the Company, its property shall be distributed among shareholders in accordance with clause 37.11 hereof.

37.6. The liquidation commission shall undertake measures to identify the creditors and recover receivables, and shall notify creditors in writing of the Company's liquidation.

37.7. Upon expiry of the time limit for filing claims by creditors, the liquidation commission shall issue an interim liquidation balance sheet, which shall contain inventory of the Company's property, a list of claims filed by creditors and results of their consideration and a list of claims that were satisfied by court according to a court decision which took legal effect, whether or not such claims were accepted by a liquidation commission.

The interim liquidation balance sheet shall be subject to approval by General Shareholders' Meeting.

37.8. If in the course of a voluntary liquidation the Company was found to meet insolvency criteria and/or show other signs of insufficiency of the property, the liquidation commission shall be obliged to file a debtor's petition with a court of arbitration.

37.9. Cash payments to the Company's creditors shall be effected by the liquidation commission in the order determined in par. 1 Article 64 of the Russian Civil Code.

37.10. Upon completion of making settlements with creditors, the liquidation commission shall issue a liquidation balance sheet to be approved by the General Shareholders' Meeting.

37.11 The Company's property remaining undistributed after completion of settlements with creditors shall be distributed by the liquidation commission among shareholders in the following order of priority:

- in the first place, payments shall be made on shares to be bought back in accordance herewith;
- secondly, accrued but remaining unpaid dividends on Type A preference shares and nominal value Type A preference shares (liquidation value of Type A preference shares) shall be paid;
- in the third place, the Company's property shall be distributed among shareholders owning ordinary shares and Type A preference shares given the already paid amount of the nominal value of Type A preference shares.

37.12. Property of each priority category shall be distributed only after property of the previous category is fully distributed.

In the event that the Company's property is insufficient for making payments of accrued but unpaid dividends, and their liquidation value as determined hereunder, to all of the shareholders owning Type A preference shares, the property shall be distributed among shareholders owning Type A preference shares pro rata to the number of their shares.

37.13. Liquidation of the Company shall be deemed completed, and the Company shall be deemed to have ceased to exist as of making by the state registration authority (registering body) entries of information about its ceasing in the unified state register of legal entities.