

APPROVED  
by the General Meeting of Shareholders of  
Mobile TeleSystems Open Joint Stock Company  
Minutes № \_\_\_\_

Chairman of the General Meeting of Shareholders

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**STATUTE**  
**ON THE GENERAL MEETING OF SHAREHOLDERS**  
**of Mobile TeleSystems**  
**Open Joint Stock Company**

Moscow  
2006

## **1. GENERAL PROVISIONS**

- 1.1. The Statute on the General Meeting of Shareholders of Mobile TeleSystems Open Joint Stock Company (hereinafter – the Statute) in accordance with the Civil Code of the Russian Federation, Federal Law on Joint Stock Companies, other normative legal acts of the Russian Federation and the Charter of Mobile TeleSystems Open Joint Stock Company (hereinafter – MTS OJSC or “the Company”) determines the procedure of convening, conducting and summarizing of the General Meeting of Shareholders of MTS OJSC.
- 1.2. The General Meeting of Shareholders shall be the highest management body of the Company.
- 1.3. The General Meeting of Shareholders may be conducted in the form of a meeting (joint presence of Shareholders for discussion of issues on the agenda and approval of resolutions on issues put to vote) and in the form of absentee ballot.
- 1.4. The Company shall provide equal possibility of participation for all Shareholders of MTS OJSC in the General Meeting of Shareholders.
- 1.5. If any issues related to convening, preparation and conducting of the General Meeting of Shareholders are not regulated by the Company’s Charter and the present Statute they shall be settled in accordance with the rules of the Russian legislation by reference to necessity of ensuring rights and interests of the Company’s Shareholders.
- 1.6. The General Meeting of Shareholders of MTS OJSC shall be conducted in Moscow at the address, determined by the Board of Directors of the Company when convening and preparing the General Meeting of Shareholders.

## **2. COMPETENCE OF THE GENERAL MEETING OF SHAREHOLDERS**

- 2.1 The competence of the General Meeting of Shareholders shall be determined by the Russian legislation. Matters assigned to the competence of the General Meeting of Shareholders can not be transferred to the Board of Directors of the Company and the executive body of the Company to be resolved. The General Meeting of Shareholders shall not be entitled to consider and approve resolutions on the issues being not in its competence. The following issues shall be within the competence of the General Meeting of Shareholders:
  - 2.1.1. making amendments to the Charter of the Company or approval of a restated version of the Charter;
  - 2.1.2. reorganization of the Company;
  - 2.1.3. liquidation of the Company, appointment of a liquidation commission, and approval of interim and final liquidation balance sheets;
  - 2.1.4. determination of the size of the Board of Directors, election of its members, and early termination of their powers;
  - 2.1.5. determination of the number, par value, category (class) of authorized shares and rights granted by such shares;
  - 2.1.6. increase of the Company’s charter capital by way of an increase in the par value of shares or the placement of additional shares;
  - 2.1.7. decrease of the Company’s charter capital by way of a decrease in the par value of shares, by way of the acquisition by the Company of some shares for the purposes of reducing their total number as well as by the cancellation of shares acquired or redeemed by the Company;
  - 2.1.8. determination of the size of the Audit Commission (internal auditor) of the Company, election of its members, and early termination of their powers;
  - 2.1.9. approval of the Auditor of the Company;
  - 2.1.10. payment/declaration of dividends on the basis of results of the first

- quarter, half year, nine months of the financial year;
- 2.1.11. approval of the Company's annual reports and annual financial statements, including income statements (profit and loss accounts), and distribution of profits (including the payment/declaration of dividends, except profits distributed as dividends on the basis of results of the first quarter, half year and nine months of the financial year) and losses of the Company on the basis of results of the financial year;
  - 2.1.12. determination of the procedure for conducting the General Meeting of Shareholders;
  - 2.1.13. election of members to the Counting Commission and early termination of their powers;
  - 2.1.14. splitting and consolidation of shares;
  - 2.1.15. adoption of resolutions on approval of transactions in whose performance there is an interest, in the cases provided for by Article 83 of the Federal Law On Joint Stock Companies and other legislation of the Russian Federation;
  - 2.1.16. adoption of resolutions on approval of major transactions associated with the acquisition or alienation of property by the Company, in the cases provided for by Article 79 of the Federal Law On Joint Stock Companies and other legislation of the Russian Federation;
  - 2.1.17. acquisition by the Company of placed shares in the cases provided for by the legislation of the Russian Federation;
  - 2.1.18. adoption of a resolution on participation in holding companies, financial-industrial groups, and other associations of commercial organizations;
  - 2.1.19. approval of internal documents regulating the activities of the Company's bodies;
  - 2.1.20. other issues provided for by the Company's Charter, the Federal Law On Joint Stock Companies and other current legislation of the Russian Federation.

### **3 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

- 3.1 The Company shall be required to hold an annual General Meeting of Shareholders no earlier than two months before and no later than six months after the end of the preceding financial year of the Company. The date of holding an annual General Meeting of Shareholders shall be determined by the Board of Directors within the mentioned time period.
- 3.2 The financial year of the Company shall be from January 1 till December 31 of the current year inclusive.
- 3.3 The annual General Meeting of Shareholders shall be called by the Board of Directors. Such resolution shall be adopted by a majority of votes of members of the Board of Directors attending the respective meeting.
- 3.4 The following issues shall be decided each year at the annual General Meeting of Shareholders:
  - 3.4.1. election of members of the Board of Directors of the Company;
  - 3.4.2. approval of the Company's annual reports and annual financial statements, including income statements (profit and loss accounts), and distribution of profits (including the payment/declaration of dividends, except profits distributed as dividends on the basis of results of the first quarter, half year and nine months of the financial year) and losses of the Company on the basis of results of the financial year;
  - 3.4.3. election of the members of the Audit Commission of the Company;
  - 3.4.4. approval of the Auditor of the Company.

- 3.5. At the proposal of Shareholders, the Board of Directors, the Audit Commission, the Company's Auditor, other issues assigned by the Russian legislation to the competence of the General Meeting of Shareholders may be included on the agenda of the annual General Meeting of Shareholders in the manner and within the times established by the Company's Charter and the present Statute.
- 3.6 Shareholders owning in aggregate at least 2 percent of the voting shares of the Company shall have the right to submit issues to the agenda of the annual General Meeting of Shareholders. Such proposals shall be submitted to the Company no later than 105 days after the end of the financial year. Proposals for the agenda must be in writing and sent by registered letter to the Company's address or submitted to the Company's office.
- 3.7. A proposal for the agenda of an annual General Meeting of Shareholders shall contain:
  - 3.7.1. the wording of issues on the agenda of the General Meeting of Shareholders;
  - 3.7.2. the names of the Shareholders who submitted proposals with information of shares owned by them (number, category, class).

The proposal shall be signed by a Shareholder or his attorney in fact. If the proposal is signed by an attorney in fact a power of attorney shall be attached executed in accordance with Clauses 4,5, Article 185 of the Civil Code of the Russian Federation or certified by a notary (copy of the power of attorney certified by a notary). If the power of attorney is issued in the order of substitution beside it or copy thereof the power of attorney or a copy thereof on the basis of which it was issued shall be submitted.

Shareholders, whose right of ownership for shares are accounted in the system of register of owners of the Company's registered securities, shall not be obliged to confirm documentarily their rights when submitting proposals for the agenda of an annual General Meeting of Shareholders, proposals on candidates for the election to elected management bodies. In case if the proposal for the agenda of an annual General Meeting of Shareholders is signed by a Shareholder (or his representative), whose rights for shares are accounted on depo account in a depository, a statement of depo account of a Shareholder in a depository which accounts rights for the mentioned shares dated by the date distant not more than three working days from the date of sending the relative proposals shall be attached.

- 3.8. No later than 5 days after the deadline for submission of proposals, established in Clause 3.6 of the present Statute, the Board of Directors shall be obligated to examine the proposals submitted and adopt either a resolution to include them on the agenda of the annual General Meeting of Shareholders or a resolution to refuse to include them on said agenda.
- 3.9. A resolution to refuse to include an issue on the agenda of an annual General Meeting of Shareholders may be adopted by the Board of Directors in the following cases:
  - 3.9.1. the period established by the Company's Charter and the present Statute for the submission of proposal has not been complied with;
  - 3.9.2. the proposal does not comply with the requirements of legislation, the Company's Charter and the present Statute;
  - 3.9.3. the Shareholders who submitted the proposal are not, on the date of submission of the proposal, owners of the required number of the voting shares;
  - 3.9.4. an issue proposed for inclusion on the agenda does not fall within the competence of the General Meeting pursuant to the current legislation and the Company's Charter;
- 3.10. A substantiated resolution to refuse to include the proposed issue on the agenda of the annual General Meeting shall be sent by registered mail to the Shareholders who submitted the issue within 3 days of the adoption of resolution or delivered to the Shareholder personally against signature.

- 3.11. A resolution of the Board of Directors refusing to include an issue on the agenda of an annual General Meeting of Shareholders may be appealed to a court.
- 3.12. The Board of Directors shall not be entitled to amend wordings of issues submitted on the agenda of the General Meeting of Shareholders and wordings of resolutions on such issues.
- 3.13. Shareholders who in aggregate own at least 2 percent of the voting shares of the Company on the date of submission of a proposal may nominate annually for election at the annual General Meeting candidates to the Board of Directors, the Audit Commission, Counting Commission of the Company. Such proposals shall be submitted to the Company no later than 105 days after the end of the financial year. The number of candidates in one application may not exceed the number of members of the respective bodies set by the Charter of the Company or by the General Meeting of Shareholders.
- 3.14. An application (proposal) to nominate candidates shall be submitted in writing by registered letter to the Company's address or be submitted to the Company's office.
- 3.15. The following information shall be included in an application (including in cases of self-nomination):
  - 3.15.1. the name of the candidate and, if the candidate is a Shareholder of the Company, the number of shares owned by him;
  - 3.15.2. name of the body of the Company for election to which the candidate is nominated;
  - 3.15.3. other information on the candidate, stipulated by the Charter of the Company or internal document of the Company;
  - 3.15.4. the name of the Shareholders nominating the candidate and the number, category (class) of shares owned by them.

The application shall be signed by a Shareholder or his attorney in fact. If the proposal is signed by an attorney in fact a power of attorney shall be attached executed in accordance with Clauses 4,5, Article 185 of the Civil Code of the Russian Federation or certified by a notary (copy of the power of attorney certified by a notary). If the power of attorney is issued in the order of substitution beside it or copy thereof the power of attorney or a copy thereof on the basis of which it was issued shall be submitted.

In case if the proposal to nominate candidates is signed by a Shareholder (or his representative), whose rights for shares are accounted on depo account in a depository, a statement of depo account of a Shareholder in a depository which accounts rights for the mentioned shares shall be attached.

Written consent of a candidate to be elected to the body of the Company to which body a candidate is proposed to be elected to shall be attached. Persons entitled to participate in the General Meeting of Shareholders shall be informed of existence or absence of written consent of the candidate to stand for election.

- 3.16. The Board of Directors shall be obligated to examine the applications submitted and decide whether to include the nominees on the list of candidates for voting at the annual General Meeting of Shareholders on elections to the Board of Directors, the Audit Commission, the Counting Commission or to refuse inclusion no later than 5 days after the end of the period for submission of proposals established by the Company's Charter and this Statute.
- 3.17. The Board of Directors may adopt a resolution to refuse to include nominees on the list of candidates for voting in cases stipulated in Clause 3.10 of the present Statute.
- 3.18. A substantiated resolution of the Board of Directors to refuse to include a nominee on the list of candidates for voting on elections to the Board of Directors, the Counting Commission, the Audit Commission shall be sent by registered letter to the Shareholders (Shareholder) who submitted the proposal no later than 3 days after the adoption of such resolution or delivered personally to the Shareholder against signature.

- 3.19. If in the proposal to include an issue on the agenda of the General Meeting of Shareholders or to nominate candidates to the bodies of the Company is stated that it is submitted by several Shareholders, but such proposal is signed only by part of them then it shall be deemed submitted by those Shareholders (Shareholder) who signed it. The Board of Directors shall be obliged to consider such proposal and shall not be entitled to refuse its satisfaction on the grounds of absence of signatures of all Shareholders, mentioned in the proposal.
- 3.20. Votes of Shareholders who signed different proposals to include issues on the agenda of an annual General Meeting of Shareholders shall not be summarized. Each of the proposals to include issues on the agenda of an annual General Meeting of Shareholders shall be considered by the Board of Directors separately.  
It shall be deemed that Shareholders submitted joint proposal on the agenda of an annual General Meeting of Shareholders if one such proposal is signed by them.
- 3.21. Besides issues proposed by Shareholders to include on the agenda of an annual General Meeting of Shareholders as well as in case of absence of such proposals, lack or insufficient number of candidates proposed by Shareholders for formation of the relative body, the Board of Directors of the Company shall be entitled to include on the agenda of an annual General Meeting of Shareholders issues or candidates to the list of candidates at its own discretion. In case if a Shareholder proposed the wording of a resolution on the issue of the agenda of an annual General Meeting of Shareholders resolution in relation to which shall be approved only at the proposal of the Board of Directors, the Board of Directors shall be obliged to include the issue of the Shareholder on the agenda of an annual General Meeting of Shareholders in the proposed wording of the issue but shall have the right to independently phrase a draft resolution on such issue.

#### **4 EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

- 4.1 The General Meetings of Shareholders conducted beside the annual General Meeting of Shareholders shall be extraordinary.
- 4.2. An extraordinary General Meeting of Shareholders shall be held pursuant to a resolution of the Board of Directors on the basis of:
- 4.2.1. its own initiative;
  - 4.2.2. a request by the Audit Commission of the Company;
  - 4.2.3. a request by the Auditor of the Company;
  - 4.2.4. a request by the Shareholders (Shareholder) owning at least 10 (ten) percent of the voting shares of the Company on the date the demand is made.
- 4.3. The demand for convening an extraordinary General Meeting of Shareholders shall contain wordings of issues to be included on the agenda of the meeting.  
The demand may also contain wordings of resolutions on each issue of the agenda, contained in the demand, and a proposal regarding form of holding the General Meeting of Shareholders.
- 4.4. The resolution of the Board of Directors initiating convening of the extraordinary meeting of Shareholders shall be adopted by the majority of votes of members present at the Board of Directors meeting. Such resolution shall approve:
- 4.4.1. the wording of issues on the agenda;
  - 4.4.2. the form of holding the General Meeting of Shareholders.
- Minutes of the meeting of the Board of Directors that adopts such a resolution shall specify the names of the members of the Board of Directors who, in the voting on the resolution, voted in favor, against or abstained.
- 4.5. A request of the Audit Commission of the Company to call an extraordinary General Meeting shall be adopted by a simple majority of votes of the members of the Audit

Commission attending the respective meeting and be sent to the Board of Directors of the Company. Said request shall be signed by the members of the Audit Commission who voted in favor of its adoption.

A request by the Auditor initiating the calling of an extraordinary General Meeting shall be signed by it and be sent to the Board of Directors of the Company.

4.6. Shareholders owning in aggregate at least 10 percent of the voting shares of the Company – initiators of the calling of an extraordinary General Meeting of Shareholders, shall send to the Board of Directors a written request specifying, in addition to the information mentioned in Clause 4.4. of the present Statute, the names of the Shareholders, requesting calling an extraordinary General Meeting of Shareholders as well as number, categories (types) of shares owned by them.

The request shall be signed by a Shareholder or his attorney in fact. If the proposal is signed by an attorney in fact a power of attorney shall be attached executed in accordance with Clauses 4,5, Article 185 of the Civil Code of the Russian Federation or certified by a notary (copy of the power of attorney certified by a notary). If the power of attorney is issued in the order of substitution beside it or copy thereof the power of attorney or a copy thereof on the basis of which it was issued shall be submitted.

Shareholders, whose right of ownership for shares are accounted in the system of register of owners of the Company's registered securities, shall not be obliged to confirm documentarily their rights when submitting demand on holding an extraordinary General Meeting of Shareholders, proposals for the agenda of an extraordinary General Meeting of Shareholders, proposals on candidates for the election to elected management bodies. In case if the demand on holding an extraordinary General Meeting of Shareholders is signed by a Shareholder (or his representative), whose rights for shares are accounted on depo account in a depository, a statement of depo account of a Shareholder in a depository which accounts rights for the mentioned shares dated by the date distant not more than three working days from the date of sending the relative proposals shall be attached.

4.7. In case when the request to call the extraordinary General Meeting of Shareholders of the Company contains a proposal on nominating candidates to the bodies of the Company then besides information, stipulated in Clauses 4.4, 4.6 of the present Statute, in such request shall be stated the following:

- 4.7.1. Names of candidate and, if the candidate is the Company's Shareholder, number of shares owned by him;
- 4.7.2. Name of the Company' body to which the candidate is proposed to be elected to;
- 4.7.3. Other information on the candidate, provided for by the Company's Charter or internal document of the Company;
- 4.7.4. Name of Shareholders (Shareholder) nominating the candidate, number, category (type) of shares owned by them.

Written consent of a candidate to be elected to the body of the Company to which body a candidate is proposed to be elected to shall be attached. Persons entitled to participate in the General Meeting of Shareholders shall be informed of existence or absence of written consent of the candidate to stand for election.

4.8. A request of initiators to call an extraordinary General Meeting shall be submitted in writing by registered letter to the Company's address with notification of receipt or be submitted to the Company's office.

The date of submission of a request to call an extraordinary General Meeting shall be defined as the date of notification of receipt thereof or the date of its submission to the Company's office.

4.9. Within 5 days of the date of submission of a request, the Board of Directors shall adopt a resolution to call an extraordinary General Meeting or refuse to call it.

4.10. The Board of Directors may adopt a resolution refusing to call an extraordinary General Meeting of Shareholders, or a resolution not to include on the agenda certain issues proposed by the initiators of a meeting in the following cases:

4.10.1. The order of submission requests regarding convening of the extraordinary General Meeting of Shareholders, stipulated by the Russian legislation, the Company's Charter and the present Statute was not observed;

4.10.2. Shareholders (Shareholder) requesting convening of the extraordinary General Meeting of Shareholders are not owners of not less than 10 percent of the Company's voting shares;

4.10.3. None of the issues proposed for inclusion on the agenda of the extraordinary General Meeting of Shareholders is of its competence and/or corresponds to the requirements of the Russian legislation.

4.11. An extraordinary General Meeting of Shareholders called at the request of the Audit Commission (internal auditor) of the Company, the Auditor or Shareholders (Shareholder) owning at least 10 percent of the voting shares of the Company shall be held within 40 days from the time when such request that the extraordinary General Meeting of Shareholders of the Company be held is made.

If the proposed agenda of the extraordinary General Meeting of Shareholders contains an issue on election of the members of the Board of Directors (Supervisory Board) of the Company, such General Meeting of Shareholders shall be held within 70 days from the time when the request that the extraordinary General Meeting of Shareholders of the Company be held is made, provided a shorter period is not stipulated in the Charter of the Company.

In cases when in accordance with the legislation the Board of Directors of the Company shall take a resolution on holding the extraordinary General Meeting of Shareholders, such General Meeting of Shareholders shall be conducted within 40 days from the date of approval of its holding by the Board of Directors of the Company.

In cases when in accordance with the legislation the Board of Directors of the Company shall take a resolution on holding the extraordinary General Meeting of Shareholders for election of members of the Board of Directors of the Company, such General Meeting of Shareholders shall be conducted within 70 days from the date of approval of its holding by the Board of Directors of the Company.

4.12. When adopting a resolution to convene an extraordinary General Meeting of Shareholders, the Board of Directors shall, depending on the form in which the meeting is to be held, approve the provisions set forth in Clause 6.1 of the present Statute for the respective form of the General Meeting.

4.13. In case when the proposed agenda of the extraordinary General Meeting of Shareholders of the Company contains an issue on election of members of the Board of Directors of the Company, Shareholders (Shareholder) of the Company owning in aggregate at least 2 percent of the voting shares of the Company shall be entitled to propose candidates for election to the Board of Directors of the Company, number of whom shall not exceed size of the Board of Directors of the Company, in the order, stipulated in Clause 4.7 of the present Statute. Such proposals shall be submitted to the Company not later than 30 days prior to the date of holding the extraordinary General Meeting of Shareholders, unless the Company's Charter envisages longer period.

4.14. The Board of Directors of the Company shall consider the received request on holding the extraordinary General Meeting of Shareholders within 5 days from the date of its submission. A resolution of the Board of Directors of the Company to call an extraordinary General Meeting of the Company's Shareholders or a substantiated resolution on refusal to call an extraordinary General Meeting or refusal to include certain issues on the agenda of a meeting shall be sent to the persons who requested to call an extraordinary meeting within 3 days of the time the corresponding resolution is



adopted.

- 4.15. A resolution of the Board of Directors of the Company to refuse to call an extraordinary General Meeting of Shareholders or to include a proposed issue on the agenda may be appealed to a court.
- 4.16 The Board of Directors shall not be entitled to amend wordings of issues on the agenda, wordings on resolutions on such issues and change the proposed form of holding the extraordinary General Meeting of Shareholders. In case if a Shareholder proposed the wording of resolution on the issue resolution in relation to which shall be approved only at the proposal of the Board of Directors, the Board of Directors shall be obliged to include the issue of the Shareholder on the agenda of the extraordinary General Meeting of Shareholders in the proposed wording of the issue but shall have the right to independently phrase a draft resolution on such issue. In case if at the date of deadline for receipt of proposals on issues related to preparation of the General Meeting of Shareholders, the Shareholders have not nominated candidates to elected bodies or there have been nominated insufficient number of candidates for formation of the relative body, the Board of Directors shall be entitled to include candidates to the list of candidates at its own discretion. The Board of Directors of the Company shall be entitled to submit at its own initiative for consideration at the extraordinary General Meeting of Shareholders including such extraordinary General Meeting, which is held at the request of the Company's Auditor, Audit Commission of the Company or Shareholders (Shareholder) of the Company, any issue assigned to the competence of this body.
- 4.17. If within the period, established in Clause 4.9 of the present Statute, the Board of Directors does not adopt a resolution to call, or adopts a resolution to refuse to call, an extraordinary General Meeting of Shareholders, an extraordinary General Meeting of Shareholders may be called by the bodies or persons who requested such meeting. Bodies and persons convening the extraordinary General Meeting of Shareholders shall have authorities necessary for convening and holding the General Meeting of Shareholders, provided for by the Russian legislation, the Company's Charter and the present Statute. If the initiator of the meeting does not have documents confirming the fact of his application to the Company with the request on holding an extraordinary General Meeting of Shareholders, it leads to impossibility to exercise authorities necessary for convening and holding an extraordinary General Meeting of Shareholders. If the Registrar receives request from Shareholders related to provision of the list of persons entitled to participate in the General Meeting of Shareholders in connection with holding the extraordinary General Meeting of Shareholders, the Registrar shall be certain in the fact of the receipt of such request by the Company on the basis of documents provided by the applicant or on the basis of the request of the Registrar sent to the address of the Board of Directors of the Company.
- 4.18. If in the request to convene the extraordinary General Meeting of Shareholders or in the proposal on nominating candidates to the Board of Directors of the Company is stated that it is submitted by several Shareholders, but such request (proposal) is signed only by part of them then it shall be deemed submitted by those Shareholders (Shareholder) who signed it. The Board of Directors shall be obliged to consider such request (proposal) and shall not be entitled to refuse its satisfaction on the grounds of absence of signatures of all Shareholders, mentioned in the request (proposal).
- 4.19. Votes of Shareholders who signed different requests on convening the extraordinary General Meeting of Shareholders or proposals on nominating candidates to the Board of Directors shall not be summarized. Each of the requests (proposals) shall be considered by the Board of Directors separately. It shall be deemed that Shareholders submitted joint request (proposal), if one such request (proposal) is signed by them.

## **5 RIGHT TO PARTICIPATE IN THE GENERAL MEETING OF SHAREHOLDERS**

- 5.1. The list of persons entitled to participate in the General Meeting shall be compiled on the basis of data in the Register of Shareholders of the Company as of the date established by the Board of Directors of the Company in accordance with the current legislation of the Russian Federation and the Company's Charter.
- 5.2. The date established for compilation of the list of persons entitled to participate in the General Meeting of Shareholders may not be earlier than the date of adoption of the resolution to hold the General Meeting of Shareholders and more than 50 calendar days before the date of the General Meeting of Shareholders, and if the proposed agenda of an extraordinary meeting of Shareholders contains the issue dealing with the election of members to the Board of Directors, more than 65 days before the date of the General Meeting of Shareholders. If the agenda of the General Meeting of Shareholders includes issues voting in relation to which is implemented by different composition of voters, the date established for compilation of the list of persons entitled to participate in the General Meeting of Shareholders may not be more than 45 days before the date of the General Meeting of Shareholders.
- 5.3. In any event, the date of compilation of the list of persons entitled to participate in the General Meeting shall precede the date for notifying the persons entitled to participate in the Meeting of Shareholders, established in accordance with the Company's Charter and the present Statute.
- 5.4. For the purpose of compilation of the list of persons entitled to participate in the General Meeting of Shareholders, a nominee holder of shares shall submit data concerning the persons on whose behalf it owns shares, as of the date of compilation of the list of persons entitled to participate in the General Meeting of Shareholders.
- 5.5. The list of persons entitled to participate in the General Meeting of Shareholders shall contain the following information:
  - 5.5.1. the name of the person;
  - 5.5.2. data required to identify such person;
  - 5.5.3. postal address of the person to which notice of the General Meeting of Shareholders, voting ballots, if voting envisages sending ballots, and reports on the results of voting are to be sent;
  - 5.5.4. data on the number, category (class) of shares owned by the person, including those carrying voting rights at the respective meeting, whether on all issues within its competence or on certain issues on the agenda.
- 5.6. The list of persons entitled to participate in the General Meeting of Shareholders shall include Shareholders – owners of voting (including fractional shares) fully paid registered common shares of the Company of any issue, and other persons in cases, provided for in the current legislation of the Russian Federation.
- 5.7. In the event when shares of the Company comprise property of share investment funds the list of persons entitled to participate in the General Meeting of Shareholders shall include managing companies of these share investment funds.
- 5.8. In the event when the Company's shares are in trust the list of persons entitled to participate in the General Meeting of Shareholders shall include trustees, except for the cases when a trustee is not entitled to exercise voting right in relation to shares which are in trust.
- 5.9. Changes to the list of persons entitled to participate in the General Meeting of Shareholders may be made only in the event of restoration of violated rights of persons not included in the mentioned list on the date of its compilation or correction of errors committed when compiling the list.
- 5.10. The list of persons entitled to participate in the General Meeting of Shareholders shall be

made available by the Company for inspection upon the request of any persons included in that list and possessing in aggregate at least 1 percent of votes.

The request shall be signed by a Shareholder or his attorney in fact. If the request is signed by an attorney in fact, a power of attorney shall be attached.

If the request is signed by a representative of a legal entity acting on his behalf under the power of attorney, a power of attorney shall be attached executed in accordance with Clauses 4,5, Article 185 of the Civil Code of the Russian Federation or certified by a notary (copy of the power of attorney certified by a notary). If the power of attorney is issued in the order of substitution beside it or copy thereof the power of attorney or a copy thereof on the basis of which it was issued shall be submitted.

The request shall be sent by registered mail to the address of the Company or submitted to the Company's office.

- 5.11. At the request of any interested person the Company shall within three days provide that person with a statement from the list of persons entitled to participate in the General Meeting of Shareholders, containing information about that person, or a statement indicating that the person is not included in the list of persons entitled to participate in the General Meeting of Shareholders.
- 5.12. In the event that a share is transferred after the date of compilation of the list and before the date of the General Meeting of Shareholders, a person included in the list of persons entitled to participate in the General Meeting of Shareholders shall be obligated to issue to the acquirer a power of attorney for voting or be obligated to vote at the General Meeting in accordance with the instructions of the acquirer of shares. This rule shall also apply to any subsequent transfer of the share.
- 5.13. The right to participate in the General Meeting of Shareholders shall be exercised by a person entitled to participate in the meeting of Shareholders both in person and through his representative.

Delegation of rights (powers) to a person's representative entitled to participate in the General Meeting of Shareholders shall be effected by the issuance of a written Authorization - a power of attorney - executed in accordance with the requirements of Clauses 4,5, Article 185 of the Civil Code of the Russian Federation or certified by a notary.

A power of attorney for voting shall contain information about the represented and the representative (name, place of residence or place of location, passport data) as well as information about authorities of a representative.

The Shareholder's representative at the General Meeting of Shareholders shall act in accordance with powers based on directions contained in the federal laws and acts of the authorized government bodies or bodies of local governments or power of attorney corresponding to the requirements of the Russian legislation.
- 5.14. A Shareholder may at any time replace his representative at the General Meeting of Shareholders and participate at the General Meeting of Shareholders personally.

A Shareholder shall have the right to revoke his power of attorney and personally participate in the General Meeting submitting for this purpose to the Counting Commission a written application on revocation, thus he is subject for registration to participation in the General Meeting and he shall be provided with voting ballots in case if notification of replacement (revocation) of the representative is received before registration of the representative whose powers are terminated.

A Shareholder shall have the right to send for participation in the General Meeting of Shareholders not more than one representative.
- 5.15. Where a share of the Company is in the common participatory ownership of several persons, voting powers at the General Meeting of Shareholders shall be exercised at their discretion, either by one of the participants in common participatory ownership or by their common representative. The powers of each of the aforesaid persons shall be

duly formalized.

- 5.16. Tutors and trustees of legally incapable Shareholders, entitled to participate in the General Meeting, take part in the General Meeting with documents confirming the right for tutorship (trusteeship).

The manager of organization-Shareholder participates in the General Meeting of Shareholders without power of attorney and on the basis of documents confirming his powers as a person entitled to act without power of attorney on behalf of the given organization (charter of the organization, minutes, appointing order, etc.) and documents proving his identity.

If a Shareholder-legal entity is in the process of bankruptcy in accordance with the current Russian legislation the receiver shall act on behalf of such legal entity. The Counting Commission shall be provided with the relative court decision on appointment of the receiver.

Existence of the court decision or ruling prohibiting the Shareholder to vote at the General Meeting of Shareholders by shares owned by him shall not be basis for the refusal in registration of such Shareholder as a participant at the General Meeting.

- 5.17. The Auditor of the Company, members of the Counting and Audit Commissions, candidates included into the voting ballots on election of members of the Company's control and management bodies as well as other persons invited on the initiative of the Board of Directors or persons initiating (convening) the General Meeting of Shareholders shall have the right to participate in the General Meeting without voting right on issues on the agenda of the General Meeting of Shareholders.

## **6 PROCEDURE OF CONVENING AND PREPARATION OF THE GENERAL MEETING OF SHAREHOLDERS**

- 6.1. The Board of Directors or entities which have powers necessary for convening and holding the General Meeting of Shareholders when preparing to the General Meeting of Shareholders shall determine:

- 6.1.1. Form of holding the General Meeting of Shareholders (meeting or absentee ballot);
- 6.1.2. Agenda of the General Meeting of Shareholders;
- 6.1.3. Form and text of voting ballots;
- 6.1.4. List of information (materials) provided to Shareholders when preparing to the General Meeting and the procedure related to provision thereof;
- 6.1.5. The date of compilation of the list of persons entitled to participate in the General Meeting of Shareholders;
- 6.1.6. The date, place and time of holding the General Meeting of Shareholders;
- 6.1.7. Start time for registration of the participants in the General Meeting of Shareholders;
- 6.1.8. The text of a notice of the General Meeting of Shareholders sent to Shareholders;
- 6.1.9. The procedure of notifying the Shareholders of the General Meeting of Shareholders;
- 6.1.10. The date and procedure of provision to Shareholders of voting ballots on the issues on the agenda of the General Meeting of Shareholders;
- 6.1.11. The procedure of familiarization of the Shareholders with materials on the issues on the agenda of the General Meeting of Shareholders;
- 6.1.12. The final date of receipt by the Company of completed voting ballots when conducting the General Meeting of Shareholders in the form of absentee ballot;
- 6.1.13. Postal address to which the completed voting ballots shall be sent in the

event of conducting the General Meeting of Shareholders in the form of absentee ballot as well as in the event of conducting the General Meeting of Shareholders in the form of a meeting, if the number of Shareholders – owners of the voting shares of the Company is 1000 and more;

6.1.14. In the event of inclusion on the agenda of issues voting in relation to which may in accordance with the Russian legislation give rise to the right of Shareholders to demand redemption by the Company of shares owned by them, the Board of Directors shall also determine the price of redeemed shares corresponding to the market value which shall be determined in accordance with the legislation, as well as the procedure and time periods of redemption.

6.1.15 Proposals to the General Meeting of Shareholders in relation to resolutions on certain issues on the agenda.

- 6.2. Persons included in the list of persons entitled to participate in the General Meeting of Shareholders of the Company shall be notified of the General Meeting no less than 30 calendar days prior to the date of the meeting by sending the text of the notice of the General Meeting by registered letter to the address specified in the list of persons entitled to participate in the meeting of Shareholders or be delivered personally to such persons against signature.

Persons included in the list of persons entitled to participate in an extraordinary General Meetings of Shareholders of the Company which agenda includes an issue on election of members of the Board of Directors shall be notified of an extraordinary General Meeting no less than 50 calendar days prior to the date of the meeting by sending the text of the notice of the General Meeting by registered letter to the address specified in the list of persons entitled to participate in the meeting of Shareholders or be delivered personally to such persons against signature.

Information on the forthcoming General Meeting of Shareholders shall be placed on the website of the Company in Internet.

- 6.3. The text of the notice of the General Meeting of Shareholders may also be published in mass media determined pursuant to a resolution of the Board of Directors of the Company.
- 6.4. The text of the notice shall be sent to persons included in the list of persons entitled to participate in the General Meeting of the Company's Shareholders. The date of notification of the Shareholders of the General Meeting shall be defined as the date of mailing or the date of publication, or the date of personal delivery of the text of the notice.
- 6.5. The text of the notice of the General Meeting of Shareholders of the Company may, pursuant to a resolution of the Board of Directors, additionally be sent in electronic form to those Shareholders who have provided the Company or the Registrar with e-mail addresses for the delivery of such notices.
- 6.6. The text of a notice of the General Meeting of Shareholders shall specify:
- 6.6.1. The full trade name and location of the Company;
  - 6.6.2. The information on initiators of the calling of the General Meeting, its type (annual or extraordinary), and the form of holding;
  - 6.6.3. The date, place and time of the holding the General Meeting of Shareholders (final date for receipt of completed voting ballots when holding the General Meeting of Shareholders in the form of absentee ballot, as well as postal addresses and addresses of points of receipt of completed voting ballots in the event of holding the General Meeting of Shareholders in the form of absentee ballot, as well as in the event of holding the General Meeting of Shareholders in the form of a meeting, if number of Shareholders – owners of the Company's voting shares is 1000 and more);
  - 6.6.4. start time for registration of the participants in the General Meeting of

Shareholders;

6.6.5. the date of compilation of the list of persons entitled to participate in the General Meeting of Shareholders;

6.6.6. the agenda of the General Meeting of Shareholders;

6.6.7. the procedure for familiarizing with information (materials) to be provided to the Shareholders in preparation for the General Meeting of Shareholders, including addresses where Shareholders may inspect and obtain copies of materials to be provided to persons entitled to participate in the meeting of Shareholders of the Company in preparation for the General Meeting, and where to send corresponding written remarks and proposals on the said materials and other proposals concerning the issues on the agenda.

6.6.8. the procedure for notifying the persons entitled to participate in the General Meeting of Shareholders about resolutions adopted and the results of voting when holding the General Meeting of Shareholders in the form of absentee ballot;

6.6.9. If the agenda includes issues voting in relation to which may, in accordance with the legislation, give rise to a right of those Shareholders who voted against such resolution or who did not participate in voting on such issues to demand that the Company redeems shares owned by them, the notice must also contain information on the possession by Shareholders of the right to demand that the Company redeems shares owned by them, on the price to be paid for redeemed shares, corresponding to the market value thereof, determined by the Board of Directors of the Company in accordance with the legislation on the basis of opinion of an independent appraiser, as well as on the procedure and periods for effecting redemption.

If the agenda of an extraordinary General Meeting includes an issue on election of new membership of the Board of Directors, the notice shall additionally contain information on the right of Shareholders owning 2 percent and more of the voting shares of the Company to propose candidates for election to the Board of Directors, on time periods, established for submission of such proposals, on address to where send the proposals.

6.7. Information (materials) that shall be mandatory provided to persons entitled to participate in the General Meeting of Shareholders when preparing the General Meeting of Shareholders, in case of inclusion of the relative issues on the agenda of the meeting, shall contain:

6.7.1 Annual accounting statements of the Company, including the Auditor's Opinion;

6.7.2 Opinion of the Audit Commission on the results of audit of the annual accounting statements;

6.7.3 Information on candidates to the Board of Directors, the Audit Commission (to the position of auditor), the Counting Commission;

6.7.4 Drafts amendemends proposed to the Charter and internal documents of the Company and/or drafts of new edition of the Charter and internal documents of the Company;

6.7.5 Drafts resolutions of the General Meeting of Shareholders of the Company;

6.7.6 Other information, provided for in the Company's Charter, legislation or resolutions of the Board of Directors of the Company.

6.8. By the decision of the Board of Directors the text of notice of the General Meeting of Shareholders besides mandatory information may contain other additional information:

6.8.1. the Annual Report of the Company;

6.8.2. Recommendations of the Board of Directors on distribution of profits including amount of dividends on the Company's shares and order of their payments, and losses of the Company under results of the financial year.

Additional information mandatory for provision when preparing the General

Meeting the agenda of which contains the issues on election of members of the Board of Directors, the Audit Commission shall contain information on existence or absence of written consent of the nominated candidates to be elected to the relative body of the Company.

Additional information mandatory for provision when preparing the General Meeting the agenda of which contains issues voting in relation to which may give rise to a right of Shareholders to demand redemption by the Company of shares owned by them shall contain:

report of an independent appraiser on the market value of the Company's shares in relation to which there may be made a demand to the Company to redeem them;

calculation of the net assets value by reference to the data on the accounting statements of the Company for the last completed accounting period;

Minutes (statement of the Minutes) of the Board of Directors meeting at which there was taken a decision on determination of redemption price of the Company's shares with indication of the shares redemption price.

Additional information mandatory for provision when preparing the General Meeting the agenda of which contains the issue on reorganization of the Company shall contain:

rationale of the terms and order of reorganization of the Company contained in resolution on dissolution, split-off or transformation or in agreement on merger or takeover approved by the authorized body of the Company;

annual reports and annual accounting statements of all organisations which take part in reorganization for the last three completed financial years preceding the date of the General Meeting;

quarterly accounting statements of all organisations which take part in reorganizations for the last completed quarter preceding the date of the General Meeting.

Composition of information additionally provided to participants in the General Meeting of Shareholders shall be determined by the Board of Directors. Thus, in case of reorganization of the Company Shareholders shall be provided with the report of the Board of Directors, containing justification for necessity of such reorganization and measures related to defense of rights and interests of Shareholders in the process of implementation thereof;

in case of consideration of the issue related to early termination of powers of the management bodies and election of new bodies (including under initiative of Shareholders owning 10 percent and more of the voting shares of the Company) Shareholders shall be provided with the report of the Board of Directors containing justification of feasibility related to approval of such resolution.

- 6.9. The materials to be provided to the persons entitled to participate in the General Meeting of Shareholders in preparation for a General Meeting shall not be sent to such persons unless the General Meeting of Shareholders is to be held in the form of absentee ballot. Persons entitled to participate in the General Meeting of Shareholders of the Company shall be entitled to inspect the materials at the addresses specified in the notice. Persons entitled to participate in the General Meeting of Shareholders of the Company shall be entitled to receive at the indicated address copies of all materials of the meeting at the cost of copying the materials. The person entitled to participate in the General Meeting of Shareholders of the Company shall be entitled to request that said materials be sent to him through the mail, with the proviso that the cost of postal services shall be paid by that person.
- 6.10. When the General Meeting is to be held in the form of absentee ballot, the Company shall be required to send to the persons included in the list of persons entitled to participate in the meeting of Shareholders the materials and information to be provided in the course of

preparing and holding the General Meeting of Shareholders, by registered letter to the address specified in the list of persons entitled to participate in the meeting of Shareholders of the Company, or to make delivery to such persons personally against signature.

- 6.11. Pursuant to a resolution of the Board of Directors, information to be provided to the persons entitled to participate in the General Meeting of Shareholders that is not classified as confidential or a commercial secret may be published in whole or in part on the Company's Internet website.
- 6.12. In the event that a person registered in the Register of Shareholders of the Company is a nominee holder of shares, the notice of the General Meeting shall be sent to the nominee holder of shares. The nominee holder of shares shall be obligated to send it to its clients in the manner and within the time established by legal acts or by the contract with the client.
- 6.13. In cases stipulated by the current legislation and the Company's Charter persons, included into the list of persons entitled to participate in the General Meeting of Shareholders shall also receive voting ballots on the issues of the agenda of the General Meeting of Shareholders within time periods established by the Company's Charter.

## **7. PROCEDURE OF PARTICIPATION OF SHAREHOLDERS IN THE GENERAL MEETING QUORUM OF THE GENERAL MEETING OF SHAREHOLDERS**

- 7.1. A person entitled to participate in the General Meeting of Shareholders may participate in a meeting in the following ways:
  - 7.1.1. by personal participation in the discussion of agenda items and voting thereon, if the General Meeting is held in the form of a meeting;
  - 7.1.2. by sending an authorized representative to participate in the discussion of agenda items and to vote thereon, if the General Meeting is held in the form of a meeting;
  - 7.1.3. by participating in the discussion of agenda items of the General Meeting of Shareholders and voting thereon jointly with the representative at the General Meeting held in the form of a joint presence;
  - 7.1.4. by voting on the issues of the agenda of the General Shareholders Meeting held in the form of a meeting by sending to the Company completed voting ballots signed either personally or by an authorized representative (if the number of Shareholders owning the voting shares of the Company is 1000 and more);
  - 7.1.5. by voting on the issues of the agenda of the General Shareholders Meeting held in the form of an absentee ballot via sending to the Company completed voting ballots signed either personally or by an authorized representative.
- 7.2. The Shareholders who registered for the meeting, held in the form of a meeting, and those Shareholders whose voting ballots were received no later than two days prior to the date of the General Shareholders Meeting shall be deemed attended the General Meeting (if the number of Shareholders owning the voting shares of the Company is 1000 and more).
- 7.3. The Shareholders shall be deemed attended the General Shareholders Meeting, held in the form of absentee ballot, if their voting ballots were received no later than the final date for the receipt of completed voting ballots by the Company.
- 7.4. Registration of persons to participate in the General Meeting, held in the form of a meeting, shall be conducted at the location of the General Meeting.
- 7.5. Persons entitled to participate in the General Meetings shall register to participate in the General Meeting.

Persons entitled to participate in the General Meeting of Shareholders, held in the form of a meeting (if the number of Shareholders owning the voting shares of the Company is 1000 and more), whose voting ballots were received no later than two days prior to the date of the General Shareholders Meeting, shall have the right to be present at the General Meeting



but are not subject to registration. Under request from the persons who register to participate in the General Meeting whose voting ballots were not received by the Company or were received later than two days prior to the date of the General Meeting, they may be given against signature voting ballots with note of reissue thereof (if the number of Shareholders owning the voting shares of the Company is 1000 and more).

- 7.6. Documents supporting authority of successors and representatives of persons included in the list of persons entitled to participate in the General Shareholders Meeting (their notarized copies) shall be attached to the completed voting ballots sent by such persons or shall be transferred to the Counting Commission or Registrar acting as the Counting Commission in the course of registration of these persons for participation in the General Shareholders Meeting.
- 7.7. Registration of persons entitled to participate in the General Meeting shall be conducted provided that persons to attend the General Meeting are identified via verification of data in the list of persons entitled to participate in the General Meeting with the documents presented (submitted) by the above persons.
- 7.8. The following documents shall be presented for registration by the persons, arrived to participate in the General Meeting:
  - 7.8.1. Shareholders (individuals) shall provide the documents supporting personal identity;
  - 7.8.2. representatives of the Shareholders (individuals) shall provide documents supporting the identity of a representative and powers of attorney on behalf of the Shareholders documented in accordance with the procedure established by the legislation of the Russian Federation and the present Statute, and legal representatives of Shareholders (Shareholder) – documents, confirming their powers;
  - 7.8.3. representatives of Shareholders (legal entities) shall provide documents supporting personal identity of a representative and powers of attorney on behalf of the Shareholders documented in accordance with the procedure established by the legislation of the Russian Federation and the present Statute;
  - 7.8.4. managers of the Shareholders (legal entities) shall provide documents supporting personal identification of a manager and the documents supporting appointment to the relevant position.
  - 7.8.5. heirs and successors of persons included in the list of persons entitled to participate in the General Shareholders Meeting shall provide documents supporting legal succession in accordance with the requirements of legislation of the Russian Federation.
- 7.9. Registration of persons entitled to participate in the General Meeting of Shareholders shall end at the moment when the Chairman at the General Meeting of Shareholders declares that discussion of the last issue on the agenda of the General Meeting of Shareholders in relation to which there is a quorum is completed. Shareholders who arrive after the end of registration are not admitted to participate in the work of the General Meeting. At the established time of the commencement of the General Meeting of Shareholders the Chairman of the Counting Commission or person, acting as counting commission shall inform the General Meeting of Shareholders about existence or absence of a quorum. The Chairman shall declare opening (postponement of opening) of the meeting, shall submit for consideration of the General Meeting of Shareholders proposals of the Board of Directors of the Company on approval of the procedure of holding the General Meeting of Shareholders (reglament).

The General Meeting of Shareholders shall be empowered (have a quorum) if Shareholders (their representatives) holding in aggregate more than a half of the votes granted by the placed voting shares of the Company have participated (registered) in the meeting.
- 7.10. The General Meeting of Shareholders shall be empowered (have a quorum) if Shareholders or their representatives holding in aggregate more than a half of the votes granted by the

placed voting shares of the Company have participated in the meeting.

Shareholders and their representatives registered for participation in it as well as those Shareholders whose ballots were received by the Company shall be deemed attending the General Meeting of Shareholders:

when holding the General Meeting of Shareholders in the form of a meeting – not later than two days before the date of the General Meeting of Shareholders (if the number of Shareholders owning the voting shares of the Company is 1000 and more);

when holding the General Meeting of Shareholders in the form of absentee ballot – not later than deadline for receipt of the ballots.

Quorum shall be determined on each issue on the agenda of the General Meeting. Lack of a quorum for approval of resolutions on issues voting in relation to which is implemented by one composition of voters shall not prevent approval of resolutions on the issues voting in relation to which is implemented by another composition of voters for approval of which quorum is reached.

When determining quorum on the issue of election of members of the Audit Commission shares owned by newly elected members of the Board of Directors shall be excluded from number of the voting shares.

When determining quorum the Counting Commission shall not take into account shares repurchased/acquired by the Company.

In case if in relation to shares owned by any Shareholder there is a court judgement or ruling prohibiting their participation in voting, such shares shall be accounted as voting when determining quorum of the General Meeting.

The General Meeting of Shareholders held in the form of a meeting shall be opened if by the time of commencement of its holding quorum is reached at least on one of the issues included in the agenda of the General Meeting of Shareholders. Registration of persons entitled to participate in the general Meeting of Shareholders, not registered for participation in the General Meeting prior to its opening, shall end no sooner than completion of the discussion of the last issue on the agenda in relation to which there is a quorum.

- 7.11. Opening of the General Meeting of Shareholders shall be postponed for one hour, if by the time of commencement of holding the General Meeting quorum is reached on none of the issues of the agenda.

The General Meeting of Shareholders shall not be postponed more than once.

- 7.12. In the absence of a quorum for holding an annual General Meeting of Shareholders, a new General Meeting of Shareholders with the same agenda shall be held. In the absence of a quorum for holding an extraordinary General Meeting of Shareholders, a new General Meeting of Shareholders with the same agenda may be held. If the General Meeting was called at the initiative of the Board of Directors, the Board of Directors shall have the right, in its resolution to call a new meeting, to change the form of the meeting to be held. Resolution on holding the new General Meeting of Shareholders shall be approved by the Board of Directors or by the entity convened an extraordinary General Meeting of Shareholders.
- 7.13. Shareholders shall be notified of the new General Meeting in the manner established by the Company's Charter and the present Statute for the respective form of holding the meeting.
- 7.14. A new General Meeting shall be empowered (have a quorum) on a certain issue on the agenda, if Shareholders possessing in aggregate at least 30 percent of the vote granted by the placed voting shares of the Company attended the General Meeting.
- 7.15. Where the General Meeting of Shareholders is postponed, in connection with the lack of a quorum, by less than 40 days, the persons entitled to participate in the General Meeting of Shareholders shall be determined in accordance with the list of persons entitled to participate in the General Meeting of Shareholders that failed to take place.

- 7.16. The Company shall begin all measures relating to the calling, preparation, and holding of an extraordinary General Meeting of Shareholders only after financing therefore has been arranged. After the Board of Directors has adopted a resolution to call a General Meeting of Shareholders, the individual executive body (the President) of the Company shall be obligated to immediately arrange financing for the holding the meeting.
- 7.17. Expenses associated with the preparation and holding of the annual General Meeting of Shareholders or an extraordinary General Meeting of Shareholders initiated by members of the Board of Directors, the Audit Commission (internal auditor) or by the Auditor shall be paid out of the funds of the Company in accordance with the budget approved by the individual executive body (the President) of the Company and shall be included in the Company's budget.
- 7.18. Expenses associated with the preparation and holding of an extraordinary General Meeting of Shareholders called by the bodies and the persons who requested such meeting, in accordance with Clause 4.17 of this Statute may be reimbursed out of the Company's funds pursuant to a resolution of the General Meeting of Shareholders.
- 7.19. The official language of the General Meeting of Shareholders shall be the Russian language. When necessary, materials for the General Meeting of Shareholders shall be translated into the English language.
- 7.20. The General Meeting of Shareholders shall be entitled to approve the procedure of handling the General Meeting of Shareholders in the form of a meeting which shall envisage:
- Information about persons exercising functions of the Chairman and Secretary of the General Meeting of Shareholders and, if necessary, about the composition of the Presidium of the General Meeting;
  - Time allocated for speeches on the issues on the agenda;
  - Time allocated for responses of the reporter, officials of the Company, candidates to elected bodies to the questions put by persons participating in the General Meeting. The questions shall be put in writing;
  - Time allocated for speeches of participants in the Meeting in the framework of discussions on the reports;
  - Time allocated for voting on the issues on the agenda, responsibility of the Chairman of the Counting Commission to clarify procedure of voting on the issues on the agenda;
  - Procedure of summarizing the results and announcement of the results. Thus the Company shall aspire to ensure completion of counting of votes and announcement of the results of voting prior to the moment of conclusion of the General Meeting of Shareholders.
- 7.21. The Company shall aspire to ensure presence at the General Meeting of Shareholders held in the form of joint presence of the members and candidates to the members of the Board of Directors, members and candidates to the members of the Audit Commission of the Company, Auditor of the Company, as well as top executives of the Company with the purpose that the mentioned persons can answer the questions of Shareholders put in the course of the General Meeting of Shareholders.  
When holding the General Meeting of Shareholders in the form of the absentee ballot the Shareholders shall be entitled to apply to officials of the Company with the purpose to get oral clarifications in relation to the issues on the agenda of the General Meeting of Shareholders.

## **8. VOTING ON THE ISSUES OF THE AGENDA OF THE GENERAL MEETING OF SHAREHOLDERS AND DECISION MAKING PROCEDURE**

- 8.1. Voting at the General Meeting shall be conducted according to the principle, "one voting

share equals one vote,” except for:

cumulative voting when electing members of the Board of Directors of the Company;  
existence of fractional shares in the Company granting part of a vote to their owners.

8.2. The General Meeting of Shareholders shall be conducted in the form of a meeting (joint presence of the Company’s Shareholders for discussion of the issues on the agenda and approval of resolutions on the issues put to vote.)

Resolution of the General Meeting of Shareholders may also be approved without holding meeting by way of absentee ballot.

The General Meeting of Shareholders which agenda contains issues on election of the Board of Directors of the Company, the Audit Commission of the Company, appointment of the Company’s Auditor as well as approval of the Company’s annual reports and annual financial statements, including income statements (profit and loss accounts), and distribution of profits (including the payment/declaration of dividends, except profits distributed as dividends on the basis of results of the first quarter, half year and nine months of the financial year) and losses of the Company on the basis of results of the financial year shall not be conducted in the form of absentee ballot.

When conducting the meeting in the form of joint presence of Shareholders (if the number of Shareholders owning the voting shares of the Company is 1000 and more), the latter shall exercise their right to participate in the management of the Company by sending to the Company completed and signed voting ballot, personal participation (or participation through a representative) in the work of the meeting, discussion of considered issues and approval resolutions thereof.

The Company shall be obliged to send voting ballots (if the number of Shareholders owning the voting shares of the Company is 1000 and more) or deliver such ballots against signature to each person mentioned in the list of persons entitled to participate in the General Meeting of Shareholders in the procedure established in the present Statute.

In the form of absentee ballot the General Meeting of Shareholders shall be conducted by sending voting ballots to Shareholders and counting of votes in accordance with completed ballots received from the Shareholders.

Voting at the General Meeting of Shareholders irrespective of the form of its holding shall be implemented only by voting ballots on all issues on the agenda.

8.3. The forms and text of voting ballots shall be approved by the Board of Directors. A separate voting ballot shall be approved by the Board of Directors for each issue on the agenda.

In the case of a General Meeting held in direct form, voting ballots shall be issued to persons entitled to participate in the General Meeting of Shareholders at the time of their registration and shall be sent to the mentioned persons by registered mail to the address mentioned in the list of persons entitled to participate in the Meeting of Shareholders (if the number of Shareholders owning the voting shares of the Company is 1000 and more).

In the case of a General Meeting held in the form of absentee ballot, ballots shall be sent to Shareholders by registered mail to the address mentioned in the list of persons entitled to participate in the Meeting of Shareholders.

8.4. A voting ballot for voting on the issues of the agenda shall contain:

8.4.1. the full trade name of the Company and location of the Company;

8.4.2. the form of holding the General Meeting of Shareholders;

8.4.3. the date, place and time at which the General Meeting of Shareholders is to be held and the postal address to which the completed voting ballots are to be sent (in the event that the General Meeting of Shareholders is to be held in the form of absentee ballot as well as in case of holding the General Meeting of Shareholders in the form of a meeting, if the number of Shareholders owning the voting shares of the Company is 1000 and more) and the final date for accepting voting ballots in the event of holding the General Meeting of Shareholders in the form of absentee ballot;

8.4.4. the wording of a resolution on each issue (the name of each candidate) put to

vote with the voting ballot and the order in which it will be considered;

8.4.5. the voting options for each matter put to voting, expressed as “in favor,” “against” or “abstain,” except for the election of members of the Board of Directors, where the voting ballot shall also include additional space for the distribution of votes among candidates to the Board of Directors;

8.4.6. in the event of cumulative voting a reference on cumulative voting shall be made followed by an explanation of the meaning of the cumulative voting, as well as the following clarification – “fractional part of the vote derived as a result of multiplication of a number of votes owned by a Shareholder owning a fractional share by a number of persons to be elected to the Company’s Board of Directors may be given for only one candidate”;

8.4.7. fields to put the number of votes given for each voting option; number of votes owned by the person entitled to participate in the General Meeting of Shareholders may be also indicated.

8.4.8. explanation of the fact that a voter shall select only one voting option except for the cases of voting under instructions from the persons who acquired shares after the date of compilation of the list of persons entitled to participate in the General Meeting of Shareholders, or in accordance with instructions of owners of depository securities;

8.4.9. explanation of the fact that if more than one voting option is left in the voting ballot, than in the votes fields for specifying number of votes given for each voting option number of votes given for the relative voting option shall be stated and a note shall be made that voting is conducted in accordance with instructions of acquirers of shares transferred after the list of persons entitled to participate in the General Meeting of Shareholders has been compiled or in accordance with instruction of owners of depository securities;

8.4.10. explanation of the fact that a person voting with power of attorney issued in respect to shares transferred after the date of compilation of the list of persons entitled to participate in the General Meeting of Shareholders in the votes field opposite the left voting option shall specify a number of votes given for the selected voting option and shall make a notice that voting has been conducted by power of attorney issued in respect to the shares transferred after the list of persons entitled to participate in the General Meeting of Shareholders has been compiled;

8.4.11. explanation of the fact that if not all the shares are transferred after compilation of the list of persons entitled to participate in the General Meeting of Shareholders, a voter in the votes field opposite the left voting option shall specify the number of votes given for the selected voting option and shall make a notice that a part of shares has been transferred after the compilation of the list of persons entitled to participate in the General Meeting. If instructions of acquirers of such shares obtained in respect to the shares transferred after of the list of persons entitled to participate in the General Meeting of Shareholders has been compiled coincide with the selected option, these votes shall be added up.

8.4.12. the instruction that the voting ballot shall be signed by the Shareholder.

8.5. If the shares have been transferred after the date of compilation of the list of persons entitled to participate in the General Meeting of Shareholders and prior to the date of the General Meeting, a person included in this list shall issue to the acquirer a power of attorney for the voting or vote at the General Meeting of Shareholders in accordance with instructions of the shares acquirer. This rule shall also apply to every subsequent shares transfer. In the event of transfer of shares transferred to two persons or more after compilation of the list of persons entitled to participate in the General Meeting of Shareholders, a person included in the list of persons entitled to participate in the General Meeting of Shareholders shall vote at the General Meeting of Shareholders in accordance with instructions of each acquirer of the

- shares and (or) issue a power of attorney for voting to each acquirer of the shares specifying the number of shares a person is entitled to vote with under the power of attorney.
- 8.6. If shares entitled to vote at the General Meeting of Shareholders present securities which are circulated outside the Russian Federation in the form of securities of a foreign issuer issued according to a foreign law and supporting rights for such shares (depository securities), voting under these shares shall be conducted only according to the instructions of owners of depository securities.
- 8.7. Persons registered for the General Meeting of Shareholders to be held in the form of a meeting shall be entitled to vote on all issues of the agenda since opening of the General Meeting and till its closure. If voting results and resolutions made by the General Meeting are announced at the General Meeting, these persons are entitled to vote since opening of the General Meeting and up to commencement of votes counting on the issues of the agenda of the General Meeting. This rule shall not apply to voting on the procedure of the General Meeting handling.
- After completion of the discussion on the last issue of the agenda (the last issue of the agenda of the General Meeting where quorum is reached) and before closure of the meeting (commencement of vote counting procedure), persons who have not voted up to that moment shall be given time to vote.
- 8.8. The General Meeting at the moment of opening of which quorum has been reached only on individual issues of the agenda shall not be closed, if persons whose registration provides quorum to resolve on other issues of the agenda of the General Meeting of Shareholders are registered by the end of the registration procedure.
- 8.9. Voting ballots signed by a representative acting under the power of attorney for voting and received by the Company shall be deemed invalid if the Company or the Registrar acting as the Counting Commission receives a notification of replacement (withdrawal) of this representative no less than two days before the date of the General Meeting of Shareholders. A person entitled to participate in the General Meeting of Shareholders (including a new representative acting based on the power of attorney for voting) shall be registered for the meeting and be provided with voting ballots, if a notification of replacement (withdrawal) of a representative is received by the Company or the Registrar acting as the Counting Commission prior to registration of a representative whose authority is terminated.
- 8.10. Resolutions of the General Meeting of Shareholders shall be adopted by a simple majority of votes of Shareholders - owners of the voting shares attending the General Meeting of Shareholders.
- 8.11. Resolutions on issues directly provided for by the legislation of the Russian Federation and the Company's Charter shall be approved by the General Meeting of Shareholders by 3/4 of the votes of Shareholders – owners of the voting shares who participate in the General Meeting of Shareholders.
- 8.12. Resolutions on issues specified in paragraphs 2.1.2, 2.1.6, 2.1.14, 2.1.15, 2.1.16, 2.1.17, 2.1.18, 2.1.19 of this Statute and in other cases directly provided for by the legislation of the Russian Federation, the Company's Charter and this Statute shall be approved by the General Meeting of Shareholders only if proposed by the Company's Board of Directors.
- 8.13. Resolutions on the election of the Board of Directors, the Audit Commission (internal Auditor), appointment of the Company's Auditor and issues specified in paragraph 2.1.12 of this Statute shall not be approved by absentee ballot.
- 8.14. The Company's Board of Directors shall be elected by a cumulative voting. In the event of cumulative voting, the number of votes of each Shareholder shall be multiplied by the number of persons to be elected to the Company's Board of Directors and a Shareholder shall have the right to give votes received as a result of this procedure either fully for one candidate or allocate the votes between two or more candidates.
- 8.15. Wording of the resolution on the procedure of handling the General Meeting of Shareholders shall include resolutions on election of the Chairman at the General Meeting

of Shareholders and method to communicate voting results on the issues of the agenda and resolutions approved by the General Meeting of Shareholders to the persons entitled to participate in the General Meeting of Shareholders. According to resolution of the Board of Directors or individuals (bodies) convoking the General Meeting, the wording of the resolution on the procedure of handling the General Meeting may also include other issues related to the procedure of handling the General Meeting of Shareholders.

- 8.16 The General Meeting of Shareholders shall not be entitled to approve resolutions on the issues not included on the agenda of the General Meeting of Shareholders and amend the agenda.

## **9. TALLYING OF VOTES ON THE ISSUES ON THE AGENDA OF THE GENERAL MEETING OF SHAREHOLDERS**

### **PROCEDURE OF NOTIFICATION OF PERSONS ENTITLED TO PARTICIPATE IN THE GENERAL MEETING OF SHAREHOLDERS ON THE VOTING RESULTS AND APPROVED RESOLUTIONS**

- 9.1. The Counting Commission of the Company (Registrar acting as the Counting Commission) shall count votes and tally voting results.
- 9.2. In the case of voting on an issue at the General Meeting of Shareholders on which Shareholders owning common shares are entitled to vote, votes represented by all the voting shares shall be counted together.
- 9.3. Fractions of votes provided by fractional shares shall be added up with no rounding for quorum determination and votes counting.
- 9.4. If in the course of voting a participant by any reasons has not returned the ballot it shall be deemed that he did not take part in voting and his votes shall not be taken into account when tallying voting results.

When tallying voting results the Counting Commission shall not be entitled to tally voting results on election to the bodies of the Company of persons who refused to stand for election in writing or informed of their refusal to stand for election in the course of the General Meeting of Shareholders.

When determining quorum and tallying voting results on election of members of the Audit Commission of the Company the Counting Commission shall not take into account votes owned by the members of the Company's Board of Directors newly elected at this General Meeting of Shareholders.

In case when candidatures of persons elected to the Board of Directors, Board or holding offices in the management bodies of the Company are entered into voting ballot on election of members of the Audit Commission of the Company, the Counting Commission shall not tally results of voting in relation to these candidatures

In case when candidature of a person elected as individual executive body of the Company, candidatures of persons elected to the Board of Directors, the Audit Commission as well as candidatures of persons nominated to such positions are entered into voting ballot on election of members of the Counting Commission, the Counting Commission shall not tally results of voting in relation to these candidatures.

In case when number of candidatures entered into voting ballot on election of the Board of Directors members will be more than number of vacancies and several candidates will cast equally small number of votes that does not allow to determine who from these candidates was elected to free vacancies in the membership of the Board of Directors it will be deemed that all such candidates have not been elected to the Board of Directors.

In case when the Counting Commission receives the court judgment or ruling prohibiting particular Shareholder to vote by shares owned by him the ballot of such Shareholder shall not be accounted when tallying voting results.

- 9.5.A voting ballot shall be deemed invalid and votes thereof are not counted:

- In case of existence of corrections in ballots details;
- In case of incompliance of a ballot presented to the Counting Commission with the text and form of the ballot established by the Board of Directors of the Company;
- In case if in the voting ballot there is left more than one voting option except for voting under instructions of persons who acquired shares after compilation of the list of persons entitled to participate in the General Meeting of Shareholders or in accordance with instructions of the owners of depository securities;
- In case when no voting options are left in the ballot;
- In case when all voting options are crossed in the ballot;
- In case of lack of the signature of the Shareholder in the ballot;
- Voting ballots signed by a representative acting under the power of attorney for voting and received by the Company, if the Company receives a notification of replacement (withdrawal) of this representative no less than two days before the date of the General Meeting of Shareholders
- If when counting votes there will be identified two or more completed ballots of one person in which there are left different voting options on one issue on the agenda of the General Meeting. This rule shall not apply to voting ballots signed by a person who issued a power of attorney for voting in relation to shares transferred after the date of compilation of the list of persons entitled to participate in the General Meeting of Shareholders and/or persons acting on the basis of such powers of attorney, in which in the votes fields given for each voting option there is stated number of votes given for the relative voting option and containing notes provided for in paragraphs 8.4.7 – 8.4.11 of the present Statute;
- If in the ballot on voting on election of members of the Company’s Audit Commission, members of the Counting Commission voting option “in favor” is left in relation to bigger number of candidates that number of persons to be elected to the relative body of the Company. This rule shall not apply to voting ballots signed by a person, who votes under the shares transferred after the date of compilation of the list of persons entitled to participate in the General Meeting of Shareholders in accordance with instructions received from acquirers of such shares, and/or person who votes under the shares circulated outside the Russian Federation in the form of depository securities and containing notes provided for in paragraphs 8.4.7 – 8.4.11 of the present Statute;
- If in the ballot votes “in favor” are left on alternative options of resolutions;
- If under cumulative voting the Shareholder has distributed more votes among candidates to the Board of Directors than number of votes owned by him;
- If ballots are returned to the Counting Commission after commencement of tallying voting results.

9.6. Votes represented by ballots deemed invalid shall not be taken into account when tallying voting results.

9.7. In case when the agenda of the General Meeting of Shareholders contains the issues:

- Reorganization of the Company;
- Approval of major transaction;
- Amendments to the Company’s Charter (approval of the new edition of the Charter) limiting rights of Shareholders;
- Placement of shares or equity securities, converted into shares, in the procedure of private offering (except for the cases when such securities are placed under private offering only among Shareholders, thus Shareholders shall be entitled to purchase integer of placed shares or other equity securities pro rata number of



shares of the relative category owned by them)

The Counting Commission shall compile the list of Shareholders who did not take part in voting or who voted “against” on such issues on the agenda of the General Meeting of Shareholders.

- 9.8. On the basis of the results of voting, the Counting Commission (Registrar acting as a Counting Commission) shall compile a minutes of voting results, which shall be signed by members of the Counting Commission (persons authorized by the Registrar). The minutes on the voting results shall be prepared within 15 business days of the closure of the General Meeting of Shareholders or the final date of voting ballots acceptance, if the General Meeting is conducted in the form of absentee ballot.
- 9.9. Resolutions adopted at the General Meeting of Shareholders as well as voting results shall be announced at the General Meeting of Shareholders in the course of which voting was conducted or notified to persons included into the list of persons entitled to participate in the General Meeting of Shareholders not later than 10 (ten) days after compilation of the Minutes of voting results in the form of the Report on voting results by means stipulated by the Company’s Charter and the present Statute for notification of Shareholders of the General Meeting. Report on voting results at the General Meeting shall be signed by the Chairman and Secretary of the General Meeting. Report on voting results shall be placed on the Company’s website in Internet.  
The resolution shall be deemed adopted (not adopted) directly after compilation of the Minutes by the Counting Commission.
- 9.10. The Minutes of voting results shall be attached to the Minutes of the General Meeting of Shareholders. The following information shall be specified in the Minutes of voting results:
  - 9.10.1. full trade name and location of the Company;
  - 9.10.2. type of the General Meeting (annual or extraordinary);
  - 9.10.3. form of the General Meeting (meeting or absentee ballot);
  - 9.10.4. date of the General Meeting (final date of completed voting ballots receipt);
  - 9.10.5. location of the General Meeting (address to where the completed ballots were sent);
  - 9.10.6. agenda of the General Meeting;
  - 9.10.7. commencement and closure of registration of persons entitled to participate in the General Meeting held in the form of a meeting;
  - 9.10.8. opening and closure time of the General Meeting, held in the form of a meeting as well as commencement of votes counting procedure in the event if resolutions approved by the General Meeting and voting results have been announced at the General Meeting;
  - 9.10.9. number of votes on each issue of the agenda of the General Meeting owned by the persons included in the list of persons entitled to participate in the General Meeting;
  - 9.10.10. number of votes on each issue of the agenda of the General Meeting owned by the persons who attended the General Meeting with an indication whether the quorum was reached on each issue;
  - 9.10.11. number of votes for each voting option (“in favor”, “against” and “abstain”) on each item of the agenda where quorum was reached;
  - 9.10.12. number of votes on each issue of the agenda put to voting and not counted as the voting ballots were deemed invalid;
  - 9.10.13. names of members of the Counting Commission and a full trade name of the Registrar, location of the Registrar and names of persons authorized by the Registrar, if functions of the Counting Commission were performed by the Registrar;
  - 9.10.14. date when the Minutes of voting results has been drafted.The Minutes of voting results shall be signed by the Counting Commission members or persons authorized by the Registrar if the Registrar performed functions of the Counting

Commission.

- 9.11. After compilation of the Minutes of voting results and signing of the Minutes of the General Meeting of Shareholders, the voting ballots as well as powers of attorney (copies thereof) for participation in the General Meeting of Shareholders shall be sealed by the Counting Commission (or the Registrar acting as the Counting Commission) and transferred to the Company's files for storage without limitation of the time for storage. Storage of the sealed voting ballots shall be maintained by the Company in special locked sealed box or special shelf with locked cells. In relation to each fact of opening of the stored sealed voting ballots by person (persons) authorized by the Company for such opening the relative Act shall be compiled.
- 9.12. List of persons entitled to participate in the General Meeting of Shareholders as well as other lists compiled by the Company for the purpose of exercising by the Shareholders of their rights when preparing and conducting the General Meeting of Shareholders shall be stored for indefinite period of time at the place of location of the executive body of the Company.
- 9.13. Documents confirming sending to Shareholders of notifications of the General Meeting, voting ballots, Reports on voting results shall be stored within 3 years beginning January 1 of the year following the year when the relative sending was made.
- 9.14. The Report on voting results at the General Meeting shall specify:
  - 9.14.1. the Company's full trade name and location;
  - 9.14.2. type of the General Meeting (annual or extraordinary);
  - 9.14.3. form of the General Meeting (meeting or absentee ballot);
  - 9.14.4. data of the General Meeting (final date of completed voting ballots acceptance);
  - 9.14.5. location of the General Meeting held in the form of a meeting (address of venue of the meeting);
  - 9.14.6. agenda of the General Meeting;
  - 9.14.7. number of votes on each item of the agenda owned by persons included in the list of persons entitled to participate in the General Meeting;
  - 9.14.8. number of votes on each item of the agenda owned by persons who took part in the General Meeting with an indication whether quorum was reached on each issue;
  - 9.14.9. number of votes given for each of the voting options ("in favor", "against" and "abstain") on each item of the agenda of the General Meeting where quorum was reached;
  - 9.14.10. wording of resolutions approved by the General Meeting on each issue of the agenda of the General Meeting;
  - 9.14.11. names of members of the Counting Commission or full trade name, location of the Registrar and names of persons authorized by the Registrar, if the Registrar performed functions of the Counting Commission.
  - 9.14.12 names of the Chairman and Secretary of the General Meeting. The Report on voting results shall be signed by the Chairman and Secretary of the General Meeting of Shareholders.
- 9.15. The Minutes of the General Meeting of Shareholders shall be prepared not later than 15 business days of the closure of the Meeting. The Minutes shall be prepared in two copies that shall be signed by the Chairman and Secretary of the General Meeting.
- 9.16. The following information shall be specified in the Minutes of the General Meeting:
  - 9.16.1. the Company's full trade name and location;
  - 9.16.2. type of the General Meeting (annual or extraordinary);
  - 9.16.3. form of the General Meeting (meeting or absentee ballot);
  - 9.16.4. date of the General Meeting (final date of acceptance of the completed voting ballots);

- 9.16.5. location of the General Meeting held in the form of a meeting (address of the venue);
  - 9.16.6. agenda of the General Meeting;
  - 9.16.7. time of opening and closure of registration of persons entitled to participate in the General Meeting held in the form of a meeting;
  - 9.16.8. opening and closure time of the General Meeting, held in the form of a meeting, and time of commencement of votes counting, if the resolutions approved by the General Meeting and voting results were announced at the General Meeting;
  - 9.16.9. postal address (addresses) where completed voting ballots were sent (in the event of holding the General Meeting of Shareholders in the form of absentee ballot and in the event of holding the General Meeting of Shareholders in the form of a meeting, if the number of Shareholders owning the voting shares of the Company is 1000 and more);
  - 9.16.10. number of votes on each issue of the agenda, owned by the persons included in the list of persons entitled to participate in the General Meeting;
  - 9.16.11. number of votes on each issue of the agenda owned by persons who attended the General Meeting with indication whether there was a quorum on each issue;
  - 9.16.12. number of votes given for each voting option (“in favor”, “against” and “abstain”) on each issue of the agenda of the General Meeting, where quorum was reached;
  - 9.16.13. wording of the resolutions on each item of the agenda of the General Meeting adopted by the General Meeting;
  - 9.16.14. major provisions of speeches and names of speakers on each issue of the agenda of the General Meeting, held in the form of a meeting;
  - 9.16.15. the Chairman and Secretary of the General Meeting.
  - 9.16.16. date of the Minutes of the General Meeting of Shareholders.
- 9.17. If approval of an interested party transaction is included in the agenda of the General Meeting, the following information shall be stated in the Minutes of the General Meeting, the Minutes of voting results at the General Meeting and the Report on voting results at the General Meeting:
- 9.17.1. number of votes owned in relation to this issue by persons included in the list of persons entitled to participate at the General Meeting who are not interested in the transaction to be performed by the Company;
  - 9.17.2. number of votes owned in relation to this issue by the persons not interested in the transaction to be performed by the Company and who attended the General Meeting;
  - 9.17.3. number of votes given in relation to this issue for each of the voting options (“in favor,” “against” or “abstain,”).
- 9.18. By written request of the Shareholder he shall be provided with a copy of the Minutes of the General Meeting of Shareholders or statement thereof. By request from the Shareholder such documents may be sent to him by e-mail.
- 9.19. The Shareholder shall be entitled to appeal to a court the resolution approved by the General Meeting of Shareholders with infringement of the requirements of the Federal Law On Joint Stock Companies, other legal acts of the Russian Federation, the Company’s Charter in the event if he did not participate in the General Meeting of Shareholders or voted against approval of this resolution and his rights and legal interests are infringed by the mentioned resolution.

## **10. THE WORKING BODIES OF THE GENERAL MEETING OF SHAREHOLDERS**

- 10.1. The working bodies of the General Meeting of Shareholders shall be:
- 10.1.1. the Chairman;
  - 10.1.2. the Counting Commission.

- 10.2. The Chairman shall be elected at the Meeting by a majority of votes of the Shareholders present at the Meeting. The Chairman shall perform the following functions:
- 10.2.1. opens and closes the General Meeting, announces the agenda of the General Meeting and order of speeches and reports on the issues on the agenda, handles the General Meeting of Shareholders, announces closure of the discussion of the issues on the agenda and commencement of votes counting, lets have the floor for presentations and answers to questions of the participants in the General Meeting of Shareholders, ensures procedure of handling the General Meeting of Shareholders established by the present Statute;
  - 10.2.2. controls compliance with the reglament of the General Meeting;
  - 10.2.3. signs the Minutes of the General Meeting.
- 10.3. With respect to performance of the duties entrusted to it the Counting Commission shall be an independent, standing working body of the General Meeting.
- 10.4. The Counting Commission shall perform the following functions:
- 10.4.1. verifies powers and registers persons to participate in the General Meeting and keeps a registration journal;
  - 10.4.2. keeps records of powers of attorney and the rights granted thereby, reflecting these in a corresponding journal;
  - 10.4.3. issues and sends voting ballots and other information (materials) for the General Meeting and keeps a journal recording issued (sent) ballots;
  - 10.4.4. determines the quorum of the General Meeting of Shareholders;
  - 10.4.5. explains issues relating to the exercise by Shareholders (their representatives) of voting rights at the General Meeting;
  - 10.4.6. explains the procedure for voting on issues put to voting;
  - 10.4.7. ensures compliance with the established voting procedure and upholds the rights of Shareholders to participate in voting;
  - 10.4.8. counts votes and tallies voting results;
  - 10.4.9. complies the Minutes of voting results;
  - 10.4.10. maintains files of all documents of the General Meeting, including voting ballots;
  - 10.4.11. performs other functions in accordance with the legislation of the Russian Federation, the Company's Charter and this Statute.
- 10.5. The Counting Commission shall be elected by an annual General Meeting of Shareholders in number of no less than 3 people at the proposal of the Board of Directors. Members of the Board of Directors, members of the Audit Commission (internal auditor), and the President of the Company as well as persons nominated to such positions may not serve in the Counting Commission. In case when number of the Company's Shareholders – owners of the voting shares – is less than 100, the General Meeting of Shareholders shall be entitled to entrust the Corporate Secretary or other person to perform functions of the Company's Counting Commission. In case when number of the Company's Shareholders – owners of the voting shares – is more than 100 (one hundred), the Company shall be obliged to establish the Counting Commission quantitative and personal composition of which shall be approved by the General Meeting of Shareholders. The Counting Commission shall be established as standing body of the General Meeting, term of powers of the Counting Commission is not established. In case when number of the Counting Commission members has become less than three persons, the General Meeting shall elect new members to the Counting Commission or entrust the Company's Registrar to perform functions of the Counting Commission.
- 10.6. The Counting Commission shall elect a chairman and a secretary from among its members. The chairman shall entrust the functions of the Secretary of the General Meeting to one of the members of the Commission. The Secretary of the General Meeting shall control the

preparation of draft working documents, materials and information on the issues on the agenda of the General Meeting, ensure that materials and information on the issues of the agenda of the General Meeting and the Minutes of the General Meeting are reviewed by the Shareholders. The Secretary of the General Meeting shall prepare and sign the Minutes of the General Meeting of Shareholders.

- 10.7. If the number of Shareholders – owners of the voting shares of the Company is more than 500, the Counting Commission’s functions shall be performed by the Company’s Registrar. In such case the General Meeting shall be not required to pass resolution on entrustment of the Registrar with functions of the Counting Commission. In such case, persons authorized by the Registrar shall exercise the authority provided for in Clause 10.4 of this Statute.

## **11. EFFECT OF THE STATUTE. PROCEDURE OF AMENDMENTS TO THE STATUTE**

- 11.1. Amendments may be made to this Statute pursuant to a resolution of the General Meeting of Shareholders.  
The General Meeting of Shareholders may terminate this Statute and approve a new Statute On the General Meeting of Shareholders of MTS OJSC.
- 11.2. If there is a contradiction between legislation of the Russian Federation and this Statute, the effective legislation of the Russian Federation shall apply.
- 11.3. The Federal Agency on the Securities Market may set additional requirements for convoking and conduct of a General Meeting of Shareholders, that shall apply irrespective whether they are provided for or not by this Statute.