

**TERMS OF REFERENCE  
OF THE GENERAL MEETING OF SHAREHOLDERS**

**of Open Joint-Stock Company  
Sistema Joint-Stock Financial Corporation**



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## **1. GENERAL PROVISIONS.**

- 1.1. These Terms of Reference of the General Meeting of Shareholders of Open Joint-Stock Company Sistema JSFC (hereinafter also, the "Terms of Reference") establish the procedure for preparing, convening and conducting the General Meeting of Shareholders of Open Joint-Stock Company Sistema Joint-Stock Financial Corporation (hereinafter, "Sistema JSFC" or the "Company"). These Terms of Reference are drawn up in accordance with the requirements of the Russian Civil Code, the Federal Law "On Joint-Stock Companies," other rules and regulations issued by the Russian government and the Company's Charter.
- 1.2. The General Meeting of Shareholders of the Company is the supreme governing body of the Company.
- 1.3. The scope of competences of the General Meeting of Shareholders of the Company is determined by the laws of the Russian Federation and the Company's Charter. The issues falling within the scope of competences of the General Meeting of Shareholders cannot be delegated to the Board of Directors of the Company or executive bodies of the Company. The General Meeting of Shareholders may not review and make decisions on issues that are beyond its scope of competences.
- 1.4. The General Meeting of Shareholders may be held in the format of a meeting (joint presence of the shareholders to discuss agenda items and pass resolutions on items put to vote) or a letter ballot.
- 1.5. The General Meeting of Shareholders shall not be held in the format of a letter ballot if its agenda includes items on election of the Board of Directors of the Company, the Auditing Commission of the Company, approval of the Auditor of the Company and approval of annual reports, annual financial statements, including profit and loss statements (profit and loss accounts) of the Company and distribution of profit (including distribution (announcement) of dividends, except for profit distributed as dividends for the first quarter, six months or nine months of a financial year) and losses of the Company for a financial year.
- 1.6. The Company shall provide equal opportunities for all shareholders of Sistema JSFC to participate in the General Meeting of Shareholders.
- 1.7. The General Meeting of Shareholders of the Company shall, as a rule, be held in Moscow or another city of Russia, at the address determined by the Board of Directors of the Company when convening and preparing the General Meeting of Shareholders.
- 1.8. If any issues related to convening, preparing and conducting the General Meeting of Shareholders are not regulated by the Company's Charter and these Terms of Reference, they shall be resolved in accordance with the laws of the Russian Federation, proceeding from the need to protect the rights and interests of the shareholders of the Company.
- 1.9. In case of any controversy between any sections of these Terms of Reference and the laws of the Russian Federation, provisions of the Russian laws shall prevail. If any part of these Terms of Reference is invalidated or recognised as non-complying with the laws of the Russian Federation, this shall not entail invalidity of other parts of these Terms of Reference.
- 1.10. The Company shall seek to formulate agendas and resolutions in a way allowing for no misinterpretation.
- 1.11. The voting at the General Meeting of Shareholders shall be conducted using voting ballots, unless otherwise provided for by these Terms of Reference.
- 1.12. When the General Meeting of Shareholders is held in the format of a meeting (joint attendance of shareholders), the shareholders shall exercise their right to participate in the management of the Company through submission of a filled-in and signed voting ballot to the Company, through personal participation (or participation via an authorised representative) in the work of the General Meeting of Shareholders, participation in debates on the agenda and adoption of

resolutions in accordance with the procedures for holding a General Meeting of Shareholders approved by the Board of Directors or by any other body as stipulated by the laws of the Russian Federation.

1.13. The General Meeting of Shareholders in the format of a letter ballot shall be held by sending the voting ballots to the shareholders and counting the votes on the ballots returned by the shareholders to the Company. When the General Meeting of Shareholders is held in the format of a letter ballot, the shareholders shall exercise their right to participate in the management of the Company through submission of a filled-in and signed voting ballot to the Company.

1.14. The voting ballots shall be sent out by registered mail or delivered with signature against receipt to each individual and legal entity included in the list of persons that have the right to participate in the General Meeting of Shareholders of the Company before holding the General Meeting of Shareholders and in accordance with the procedure established herein.

Voting ballots shall be sent by registered mail to each person included in the list of persons that have the right to participate in the General Meeting of Shareholders of the Company to the postal address stated in the list of persons that have the right to participate in the General Meeting of Shareholders of the Company.

1.15. It shall be the shareholders' responsibility to ensure that the correct postal addresses are available in the Company's shareholder register. Ballots and/or any other notifications and/or documents from the Company sent to the address specified in the list of persons that have the right to participate in the General Meeting of Shareholders, which is drawn up on the basis of the data from the Company's shareholder register, as well as on the basis of the data received from nominal holders registered with the Company's shareholder register, shall be deemed to be properly sent to the shareholder.

1.16. In making its decision on convening a General Meeting of Shareholders, the Board of Directors shall seek to stay within the limits of the Company's approved budget.

1.17. After the Board of Directors makes a decision to convene a General Meeting of Shareholders, it shall be the obligation of the President of the Company to promptly allocate financing for the General Meeting of Shareholders.

1.18. All expenses related to the preparation and conducting of the General Meeting of Shareholders convened by the Company's Board of Directors shall be covered at the expense of the Company. Should there be shortage of funds for the General Meeting of Shareholders, the necessary amendments shall be made to the Company's budget.

## **2. ANNUAL GENERAL MEETING OF SHAREHOLDERS.**

2.1. The Company shall be obliged to hold an Annual General Meeting of Shareholders in the format of a meeting annually, not earlier than two months and not later than six months after the end of the Company's financial year. The date of the Annual General Meeting of Shareholders shall be determined by the Board of Directors.

2.2. The Annual General Meeting of Shareholders shall be convened by the Board of Directors. The decision is made by simple majority of votes of the members of the Board of Directors participating in the meeting.

2.3. The agenda of the Annual General Meeting of Shareholders shall include the following items:

- (1) approval of annual reports and annual accounting reports, including profit and loss statements (profit and loss accounts) of the Company, as well as distribution of profit (including distribution (announcement) of dividends, except for profit distributed as dividends for the first quarter, six months or nine months of a financial year) and losses of the Company for a financial year;
- (2) election of members of the Board of Directors of the Company;

- (3) election of members of the Company's Auditing Commission (Auditor);
  - (4) approval of the Company's auditors.
- 2.4. The Annual General Meeting of Shareholders may address any other issues included in the scope of its competences in accordance with the laws of the Russian Federation.
- 2.5. When making the decision to convene an Annual General Meeting of Shareholders, the Board of Directors shall decide on the issues set out in paragraph 6.1. hereof.

**3. PROCEDURES FOR INCLUDING ITEMS IN THE AGENDA OF A GENERAL MEETING OF SHAREHOLDERS AND FOR CONSIDERING ITEMS SUGGESTED FOR THE AGENDA AND NOMINEES FOR ELECTION TO THE COMPANY'S GOVERNING BODIES.**

- 3.1. The Board of Directors of the Company is entitled, on its own initiative, to present for consideration of the General Meeting of Shareholders, including one held at the request of the Company's auditors, the Company's Auditing Commission of the Company's shareholder(s), items included into its scope of competences. The agenda of a General Meeting of Shareholders cannot be modified after sending notifications to persons that have the right to participate in the General Meeting of Shareholders.
- 3.2. A shareholder that holds (shareholders that hold in total) not less than two percent of the Company's voting shares shall be entitled to make proposals for the agenda of the Annual General Meeting of Shareholders. Such proposals have to be forwarded to the Company not later than 100 (one hundred) days after the end of the financial year.
- 3.3. A proposal for the agenda of an Annual General Meeting of Shareholders shall contain the following:
- (1) the full name (company name) of the shareholder submitting the proposal, information on the shares in his /her possession (number, category (type));
  - (2) the wording of the items proposed for the agenda of the General Meeting of Shareholders.
- 3.4. A shareholder who holds (shareholders who hold in total) not less than two percent of voting shares of the Company shall be entitled to nominate candidates to the list of nominees for voting at the General Meeting of Shareholders on election to the Board of Directors, the Auditing Commission and the Counting Board of the Company.
- 3.5. Proposals on nomination of candidates for voting at an Annual General Meeting of Shareholders on election to the Board of Directors, the Auditing Commission and the Counting Board of the Company shall be received by the Company not later than 100 (one hundred) days after the end of the financial year.
- 3.6. Proposals on nomination of candidates for voting at an Extraordinary General Meeting of Shareholders on election to the Board of Directors, the Auditing Commission and the Counting Board of the Company shall be received by the Company not later than 30 (thirty) days before the date of the Extraordinary General Meeting of Shareholders.
- 3.7. In case the agenda of a General Meeting of Shareholders contains an item on establishing a new number of members of the Board of Directors and/or the Auditing Commission, and/or the Counting Board, the shareholders and the Board of Directors shall be entitled to nominate candidates for election to the relevant body of the Company in the number corresponding to the proposed new number of the members of the Company's relevant body.
- 3.8. The nomination (including self-nomination) shall specify the following:
- (1) the full name (company name) of shareholders nominating the candidate, the number and category (type) of shares in their possession;

- (2) the full name of the candidate and, if the candidate is the Company's shareholder, the number of shares in his/her possession, the details of his/her ID (series and (or) number of the document, date and place of issue, the issuing authority);
- (3) the name of the body of the Company to which the candidate is nominated;
- (4) information whether the candidate's written consent to election to the relevant body of the Company is available or not.
- (5) other information envisaged by the internal document of Sistema JSFC regulating the functioning of the corresponding body of the Company.

3.9. All attachments to a proposal on nomination of candidates to the list for voting at a General Meeting of Shareholders on election to the Board of Directors, the Auditing Commission and the Counting Board of the Company that must be submitted by the shareholders nominating a candidate for election to a corresponding body of the Company in accordance with the requirements of the Russian legislation and internal regulations of the Company shall be an inalienable part of such proposal. The proposal shall not be deemed received by the Company until the last of the attachments constituting an integral part of such proposal have been received, in accordance with the laws of the Russian Federation and the Company's internal regulations.

3.10. Proposals on including items in the agenda of an Annual General Meeting of Shareholders and/or nomination of candidates for voting at the General Meeting of Shareholders on election to the Board of Directors, the Auditing Commission and the Counting Board of the Company (hereinafter also referred to as 'Proposals' or 'Proposal') shall be submitted by:

- (1) sending a Proposal by registered certified mail (with confirmation of receipt) to the address (location) of the sole executive body of the Company contained in the Uniform State Register of Legal Entities: 1125009, Russian Federation, Moscow, Mokhovaya Str., 13, bld. 1;
- (2) delivery of the Proposal, with signature against receipt, to the Chairman of the Board of Directors of the Company, a person performing the function of the sole executive body of the Company, the Corporate Secretary of the Company or any other person authorised to receive correspondence addressed to the Company.

3.11. The date of receipt of the Proposal shall be the later of the following dates:

- (1) the date of confirmation of receipt of the Proposal (including all documents and information required in accordance with these Terms of Reference and other internal regulations of the Company) sent by mail or the date of delivery of the Proposal (including all documents and information required in accordance with these Terms of Reference and other internal regulations of the Company) to the Company with signature against receipt;
- (2) the date of delivery of the last document attached to the Proposal to the Company.

3.12. A Proposal on including items in the agenda of an Annual General Meeting of Shareholders and/or nomination of candidates for voting at the General Meeting of Shareholders on election to the Board of Directors, the Auditing Commission and the Counting Board of the Company shall be signed by the shareholder or his/her authorised representative. If the Proposal is signed by an authorised representative, it shall be accompanied by a power of attorney drawn up in accordance with the requirements of Article 185 of the Civil Code of the Russian Federation or certified by a notary (a notarised copy of the power of attorney). In the event the power of attorney was issued on the basis of the right of substitution, the power of attorney serving as the basis for this substitution or its copy shall be submitted in addition to the second (substitution) power of attorney or its copy.

3.13. Proposals on nomination of candidates for voting at a General Meeting of Shareholders on election to the Board of Directors shall meet the requirements set out in the Terms of Reference of the Board of Directors of Sistema JSFC. Such proposals shall be submitted following procedures set out for this purpose in the Terms of Reference of the Board of Directors of Sistema JSFC.

- 3.14. Shareholders whose rights to the shares are registered in the Company's register of securities holders do not have to provide supporting documents to prove their rights when making Proposals on the agenda of an Annual General Meeting of Shareholders and/or nominations to the Company's governance and audit bodies.
- 3.15. If a Proposal on including items in the agenda of an Annual General Meeting of Shareholders and/or nomination of candidates for voting at the General Meeting of Shareholders on election of members of the Board of Directors, the Auditing Commission or the Counting Board of the Company is signed by a shareholder (authorised representative) whose rights to shares are registered with a depositary, such Proposal shall be supported by a statement from the shareholder's account with the depositary dated not more than three business days from the date of delivery of the Proposal. The statement from the shareholder's depositary account shall be an inalienable part of the Proposal.
- 3.16. If a Proposal on including items in the agenda of an Annual General Meeting of Shareholders and/or nomination of candidates for voting at the General Meeting of Shareholders on election to the Board of Directors, the Auditing Commission and the Counting Board of the Company is made by several shareholders, such Proposal shall be signed by all the shareholders making this Proposal.
- 3.17. If a Proposal on including items in the agenda of an Annual General Meeting of Shareholders and/or nomination of candidates for voting at the General Meeting of Shareholders on election to the Board of Directors, the Auditing Commission and the Counting Board of the Company states that it is made by several shareholders, but it is signed only by some of them, such Proposal shall be deemed submitted only by the shareholder(s) that have signed it. The Board of Directors shall be obliged to consider such Proposal and may not reject it based solely on the absence of the signatures of all shareholders specified in the proposal, if the number of votes of those shareholders who have signed the proposal is sufficient for its submission.
- 3.18. The number of voting shares held by shareholders who have signed different Proposals on including items in the agenda of an Annual General Meeting of Shareholders and/or nomination of candidates for voting at the General Meeting of Shareholders on election to the Board of Directors, the Auditing Commission and the Counting Board of the Company shall be considered separately. Each Proposal shall be considered by the Board of Directors separately.
- 3.19. A shareholder shall be deemed as making a joint Proposal with other shareholders, if they have jointly signed at least one such Proposal.
- 3.20. The Board of Directors shall consider the received Proposals and make a decision on including proposed items in the agenda of an Annual General Meeting of Shareholders (in the list of candidates for voting at the General Meeting of Shareholders), or on rejecting the received Proposals, not later than 5 days after the final date for submission of proposals, as stipulated by paragraphs 3.5, 3.6 hereof.
- 3.21. The Board of Directors may not make any alterations to the wording of the items proposed for the agenda of an Annual General Meeting of Shareholders and to the wording of resolutions on such items.
- 3.22. The Board of Directors may decide to refuse to include an item in the agenda of an Annual General Meeting of Shareholders and/or refuse to include nominated candidates in the list for voting in the following cases:
  - (1) the deadline for submission of proposals stipulated by the Company's Charter and these Terms of Reference is not observed;
  - (2) the Proposal does not meet the requirements of the legislation, the Company's Charter and/or these Terms of Reference;
  - (3) the shareholders submitting the proposal do not hold the required amount of voting shares as of the date of submission;

- (4) the item proposed for the agenda does not fall within the scope of competences of a General Meeting of Shareholders under the legislation and the Company's Charter and/or does not meet the requirements of the Russian legislation.
- 3.23. A substantiated refusal to include an item in the agenda of an Annual General Meeting of Shareholders and/or include nominated candidates to the list of candidates for voting at the General Meeting of Shareholders shall be sent to the shareholders who submitted it not later than 3 days after the corresponding decision is made by registered mail or delivered to the shareholder in person, with signature against receipt.
- 3.24. If the Board of Directors refuses to include the proposed item in the agenda of an Annual General Meeting of Shareholders or to include candidates in the list for voting on election to the corresponding body of the Company at the General Meeting of Shareholders, or if the Board of Directors evades making such a decision, the shareholder shall be entitled to file a lawsuit to compel the Company to include the proposed item in the agenda of the General Meeting of Shareholders or to include the proposed candidates in the list for voting on election to the corresponding body of the Company.
- 3.25. Apart from items proposed for the agenda of the General Meeting of Shareholders by shareholders, and in case of absence of such proposals, absence or insufficient number of candidates nominated by shareholders for forming a corresponding body of the Company, the Board of Directors of the Company shall be entitled to include items in the agenda of the General Meeting of Shareholders and/or to include candidates in the list for voting at its own discretion.
- 3.26. The agenda of a General Meeting of Shareholders cannot be modified after sending notifications to persons that have the right to participate in the General Meeting of Shareholders.
- 3.27. If an item on changing the number of members of the Board of Directors and/or the Auditing Commission and/or the Counting Board is added to the agenda of a General Meeting of Shareholders after the deadline for acceptance of shareholders' Proposals on nomination of candidates to the list for voting at a General Meeting of Shareholders on election to the Board of Directors, the Auditing Commission and the Counting Board of the Company, this information and the proposed wording of the resolution and the date of the General Meeting of Shareholders shall be immediately disclosed by the Company in accordance with the procedures used for disclosure of material information that may affect the price of the Company's securities, in accordance with the Russian legislation on securities. The event shall be considered to have occurred at the moment of execution of the minutes of the Board of Directors meeting that decided to include the item in the agenda of a General Meeting of Shareholders. In this event, shareholders that hold not less than 2 percent of voting shares of the Company shall be entitled to nominate candidates to the Board of Directors and/or the Auditing Commission and/or the Counting Board in compliance with the new proposed number of members of the corresponding body within the period of up to 35 days before the date of the General Meeting of Shareholders. If the Company has received proposals on nominating candidates to the list for election to the Board of Directors in compliance with the new proposed number of members of the Board of Directors from shareholders that previously submitted proposals on nominating candidates in compliance with the current number of members of the Board of Directors and/or the Auditing Commission and/or the Counting Board, the new proposals from such shareholders shall be given a priority and replace the previous proposals from these shareholders.

#### **4. EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS. PROCEDURE FOR REQUESTING THE CONVENING AN EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS.**

- 4.1. All meetings held apart from the Annual General Meeting of Shareholders shall be Extraordinary Meetings.



- 4.2. An Extraordinary General Meeting may be held upon decision of the Board of Directors of the Company based on:
- (1) its own initiative;
  - (2) a request of the Company's Auditing Commission (Auditor);
  - (3) a request of the Company's auditors;
  - (4) a request of a shareholder(s) that hold(s) not less than 10 (ten) percent of voting shares of the Company as of the date of making the request.

An Extraordinary General Meeting may also be held for other reasons envisaged by the laws of the Russian Federation.

- 4.3. The Auditing Commission of the Company, the Auditor of the Company and a shareholder(s) that hold(s) not less than 10 percent of voting shares of the Company shall be entitled to request convening of an Extraordinary General Meeting of Shareholders. The percent of voting shares held by the shareholder(s) who request(s) convening of an Extraordinary General Meeting of Shareholders shall be determined on the date of making the request.
- 4.4. The request to convene an Extraordinary General Meeting of Shareholders (hereinafter also a "Request") shall be executed in writing and include the wording of an item (items) that should be included in the agenda of the Extraordinary General Meeting of Shareholders. The request to convene an Extraordinary General Meeting of Shareholders shall be signed by the person(s) requesting the convening of the Extraordinary General Meeting of Shareholders and include proof of their powers to make such request.
- 4.5. The resolution of the Auditing Commission of the Company to request convening an Extraordinary General Meeting of Shareholders shall be passed in accordance with the Company's internal regulations pertaining to the Auditing Commission. The request shall be signed by all members of the Auditing Commission who voted for passing the resolution on the need to request convening of an Extraordinary General Meeting of Shareholders.
- 4.6. The request to convene an Extraordinary General Meeting of Shareholders on behalf of a shareholder (shareholders) that hold(s) not less than 10 percent of voting shares of the Company shall be executed stating the name (company name) of the shareholder(s) that submit it and the number and category (type) of shares held by them and shall be signed by all the shareholders or their representatives.
- 4.7. The request shall be signed by the shareholder or his/ her authorised representative. If the request is signed by an authorised representative, it shall be accompanied by a power of attorney drawn up in accordance with the requirements of Article 185 of the Civil Code of the Russian Federation or certified by a notary (a notarised copy of the power of attorney). In the event that the power of attorney was issued on the basis of the right of substitution, the power of attorney serving as the basis for this substitution or its copy shall be submitted in addition to the second (substitution) power of attorney or its copy.
- 4.8. Shareholders whose rights to the shares are registered in the Company's register of securities holders do not have to provide supporting documents to prove their rights when requesting convening of an Extraordinary General Meeting of Shareholders. If convening of an Extraordinary General Meeting of Shareholders is requested by a shareholder (authorised representative), whose rights to shares are registered with a depository, such request shall be supported by a statement from the shareholder's account with the depository dated not more than three business days from the date of delivery of the corresponding request. The statement from the shareholder's depository account shall be an inalienable part of the request to convene an Extraordinary General Meeting of Shareholders.
- 4.9. If a request to convene an Extraordinary General Meeting of Shareholders states that it is submitted by several shareholders, but it is signed by only part of them, such request shall be deemed submitted only by those shareholder(s) who signed it. The Board of Directors shall be obliged to consider such request and may not reject it based solely on the absence of the

signatures of all shareholders specified in the request, if the number of votes of those shareholders who have signed the request is sufficient for its submission.

- 4.10. The number of voting shares held by shareholders who sign different requests on convening of an Extraordinary General Meeting of Shareholders shall be considered separately. Each request (proposal) shall be considered by the Board of Directors separately.
- 4.11. A shareholder shall be deemed as making a joint request with other shareholders if they have jointly signed a request on convening an Extraordinary General Meeting of Shareholders.
- 4.12. If a request to convene an Extraordinary General Meeting of Shareholders includes a proposal on nomination of candidates to the Company's bodies, this request shall specify:
  - (1) the full name (company name) of shareholders nominating the candidate, the number and category (type) of shares in their possession;
  - (2) the full name of the candidate and, if the candidate is the Company's shareholder, the number of shares in his/her possession, the details of his/her ID (series and (or) number of the document, date and place of issue, the issuing authority);
  - (3) the name of the body of the Company to which the candidate is nominated;
  - (4) information whether the candidate's written consent to election to the relevant body of the Company is available or not;
  - (5) other information envisaged by the internal document of Sistema JSFC regulating the functioning of the corresponding body of the Company.

Such request shall be supported by a written consent of the nominated candidate to be elected to the corresponding body of the Company.

- 4.13. A request to convene an Extraordinary General Meeting of Shareholders may be submitted by:
  - (1) sending a request to convene an Extraordinary General Meeting of Shareholders by registered certified mail (with confirmation of receipt) to the address (location) of the sole executive body of the Company contained in the Uniform State Register of Legal Entities: 1125009, Russian Federation, Moscow, Mokhovaya Str., 13, bld. 1;
  - (2) delivery of the request to convene Extraordinary General Meeting of Shareholders, with signature against receipt, to the Chairman of the Board of Directors of the Company, a person performing the function of the sole executive body of the Company, the Corporate Secretary of the Company or any other person authorised to receive correspondence addressed to the Company.
- 4.14. The date of receipt of the request to convene an Extraordinary General Meeting of Shareholders shall be the later of the following dates:
  - (1) the date of confirmation of receipt of the request to convene an Extraordinary General Meeting of Shareholders (with attachment of all documents required in accordance with these Terms of Reference and other internal regulations of the Company) sent by mail or the date of delivery of the request to convene an Extraordinary General Meeting of Shareholders (with attachment of all documents required in accordance with these Terms of Reference and other internal regulations of the Company) to the Company with signature against receipt;
  - (2) the date of delivery of the last document attached to the request on convening an Extraordinary General Meeting of Shareholders to the Company.
- 4.15. The Board of Directors of the Company shall make a decision on convening an Extraordinary General Meeting of Shareholders or refusing to convene it within 5 days after receipt of the request. The decision of the Board of Directors to convene an Extraordinary General Meeting of Shareholders shall be made by simple majority of votes of members of the Board of Directors participating in the meeting. The minutes of the meeting of the Board of Directors that made this decision shall state the names of the members of the Board of Directors who voted for or against it and who abstained.

- 4.16. The Board of Directors may decide to refuse to convene an Extraordinary General Meeting of Shareholders or refuse to include certain items proposed by the initiators of the Extraordinary General Meeting of Shareholders in the agenda if:
- (1) the procedure for submitting a request on convening an Extraordinary General Meeting of Shareholders stipulated by the laws of the Russian Federation has not been abided by;
  - (2) the shareholder(s) that requested the convening of an Extraordinary General Meeting of Shareholders do not hold at least 10 percent of voting shares of the Company;
  - (3) none of the items proposed for the agenda of an Extraordinary General Meeting of Shareholders falls within the scope of its competences and/or meets the requirements of the Russian legislation.
- 4.17. An Extraordinary General Meeting of Shareholders convened on request of the Auditing Commission of the Company, the Auditor or a shareholder(s) that hold not less than 10 percent of voting shares of the Company shall be held within 50 days after submission of the request to convene an Extraordinary General Meeting of Shareholders. In cases when the law requires the Board of Directors to pass a resolution on convening an Extraordinary General Meeting of Shareholders, such Extraordinary General Meeting of Shareholders shall be held within 40 days after the Board of Directors passes a resolution on its convening.
- 4.18. If the proposed agenda of an Extraordinary General Meeting of Shareholders includes an item on election of members of the Board of Directors of the Company, such Extraordinary General Meeting of Shareholders shall be held within 70 days after submission of the request to convene an Extraordinary General Meeting of Shareholders.
- 4.19. In cases when the law requires the Board of Directors to pass a resolution on convening an Extraordinary General Meeting of Shareholders for election of members of the Board of Directors of the Company, such Extraordinary General Meeting of Shareholders shall be held within 90 days after the Board of Directors passes a resolution on its convening.
- 4.20. In all other cases the Board of Directors may determine the date for the Extraordinary General Meeting of Shareholders at its own discretion, in accordance with the laws of the Russian Federation.
- 4.21. The Board of Directors may not introduce alterations to the wording of agenda items and resolutions on such items and change the proposed format of the Extraordinary General Meeting of Shareholders. If a shareholder proposes a wording for an item the decision on which can be made only on proposal of the Board of Directors, the Board of Directors shall include the shareholder's item in the agenda of the Extraordinary General Meeting of Shareholders with the proposed wording.
- 4.22. When passing a resolution on convening an Extraordinary General Meeting of Shareholders, the Board of Directors, depending on the format of the meeting, shall decide on the issues set out in paragraph 6.1 hereof for the corresponding format of the Extraordinary General Meeting of Shareholders.
- 4.23. If candidates to elective bodies are not nominated or an insufficient number of candidates is nominated to make up the corresponding body by the end of the period for accepting proposals on preparation of an Extraordinary General Meeting of Shareholders, the Board of Directors of the Company shall be entitled to include candidates in the list of nominees at its own discretion. The Board of Directors of the Company is entitled, on its own initiative, to present for consideration of the Annual General Meeting of Shareholders, including one held at the request of the Company's auditors, the Company's Auditing Commission of the Company's shareholder(s), any items included into its scope of competences.
- 4.24. The decision of the Board of Directors to convene an Extraordinary General Meeting of Shareholders of the Company or its substantiated refusal to convene a Extraordinary General Meeting of Shareholders or refusal to include certain items in the agenda of the Extraordinary General Meeting of Shareholders shall be sent to persons who requested convening of the Extraordinary General Meeting of Shareholders within three days after the decision is made.

4.25. If the Board of Directors does not make a decision to convene an Extraordinary General Meeting of Shareholders or to refuse to convene it within 5 days after submission of the request, the body of the Company or persons that requested convening of the meeting shall be entitled to file a lawsuit to compel the Company to convene an Extraordinary General Meeting of Shareholders.

**5. LIST OF PERSONS THAT HAVE THE RIGHT TO PARTICIPATE IN THE GENERAL MEETING OF SHAREHOLDERS. THE RIGHTS OF SHAREHOLDERS TO PARTICIPATE IN THE GENERAL MEETING OF SHAREHOLDERS.**

- 5.1. The list of persons that have the right to participate in the General Meeting of Shareholders shall be made based on the data of the Company's shareholder register on the date set by the Board of Directors of the Company in accordance with the laws of the Russian Federation and the Company's Charter.
- 5.2. The date of making the list of persons that have the right to participate in the General Meeting of Shareholders shall not be established before the date of making a decision on holding the General Meeting of Shareholders.
- 5.3. The date of making the list of persons that have the right to participate in the General Meeting of Shareholders shall be set not earlier than 10 days after making the decision on holding the General Meeting of Shareholders and not later than 50 days before the date of the General Meeting of Shareholders.
- 5.4. If the agenda of the Extraordinary General Meeting of Shareholders includes an item on election of members of the Board of Directors, the date of making the list of persons that have the right to participate in the General Meeting of Shareholders shall be set not earlier than 10 days after making the decision on holding the General Meeting of Shareholders and not later than 80 days before the date of the General Meeting of Shareholders.
- 5.5. As a rule, the date of making the list of persons that have the right to participate in the General Meeting of Shareholders shall be set at least 7 days before the date of sending a notice of the General Meeting of Shareholders to the shareholders
- 5.6. The list of persons that have the right to participate in the General Meeting of Shareholders shall include information about persons whose rights to securities are recorded by a nominal holder.
- 5.7. The list of persons that have the right to participate in the General Meeting of Shareholders shall include the following information:
- (1) full name (company name);
  - (2) details required for his/her/its identification (details of an identification document for individuals and registration details for legal entities);
  - (3) postal address for sending notices of the Annual General Meeting of Shareholders, ballots (if voting is conducted by ballot) and reports on results of votes;
  - (4) number and category (type) of shares held by the person, including shares voting at this Extraordinary General Meeting of Shareholders, both on all issues within its scope of competences and on individual agenda items.
- 5.8. The list of persons that have the right to participate in the General Meeting of Shareholders shall include shareholders that hold voting (including fractional), fully paid-up ordinary registered shares of the Company of all series and other persons as provided by the current Russian legislation.
- 5.9. If the Company's shares are property of a mutual investment fund, the managing company of such investment fund shall be included in the list of persons that have the right to participate in the General Meeting of Shareholders.

- 5.10. If the Company's shares are placed into a trust, the trustees shall be included in the list of persons that have the right to participate in the General Meeting of Shareholders, except where a trustee is not entitled to exercise his right to vote on the shares held in trust.
- 5.11. Any alterations to the list of persons that have the right to participate in the General Meeting of Shareholders can only be made with view to restore the rights of the persons not included in the list on the date it was made, or to correct any mistakes made when preparing it.
- 5.12. The Company shall provide the list of persons that have the right to participate in the General Meeting of Shareholders upon request of persons that are included in the list and have the right to dispose of at least 1 percent of votes. Personal data of individuals included in the list shall be provided only with their consent.
- 5.13. Upon request of any interested person (shareholder), the Company shall within 3 (three) days provide him/her with an extract from the list of persons that have the right to participate in the General Meeting of Shareholders containing data about this person or a letter confirming that he/she is not included in the list of persons that have the right to participate in the General Meeting of Shareholders.
- 5.14. Requests for information from the list of persons that have the right to participate in the General Meeting of Shareholders or an extract from the list of persons that have the right to participate in the General Meeting of Shareholders may be submitted by:
  - (1) sending the request by registered certified mail (with confirmation of receipt) to the address (location) of the sole executive body of the Company contained in the Uniform State Register of Legal Entities: 1125009, Russian Federation, Moscow, Mokhovaya Str., 13, bld. 1;
  - (2) delivering the request to the Corporate Secretary of the Company or another person authorised to receive correspondence addressed to the Company, with signature against receipt.

The date of making the request shall be determined as the date of the confirmation of receipt or the date of its delivery to the Company.

- 5.15. In case of transfer of shares after the date of making the list and before the date of the General Meeting of Shareholders, the person included in the list of persons that have the right to participate in the General Meeting of Shareholders shall be obliged to issue to the purchaser a power of attorney for voting or to vote at the General Meeting of Shareholders as instructed by the purchaser of the shares. The aforesaid rule shall also be applied to each successive transfer of shares.
- 5.16. Information about the date of making the list of persons that have the right to participate in the General Meeting of Shareholders shall be disclosed at least 7 days before such date.

## **6. PROCEDURES FOR CONVENING AND PREPARING THE GENERAL MEETING OF SHAREHOLDERS.**

- 6.1. When making the decision on holding a General Meeting of Shareholders, the Board of Directors or, in cases provided for by the Russian legislation, the authorised judicial authority of the Russian Federation shall establish the following:
  - (1) The format of the General Meeting of Shareholders (a meeting or voting by a letter ballot);
  - (2) The date, place and time of the General Meeting of Shareholders and/or the deadline for accepting the filled-in ballots and the postal address to which the filled-in ballots shall be sent;
  - (3) The date, place and time of opening registration of persons that have the right to participate in the General Meeting of Shareholders held in the format of a meeting;
  - (4) The date of making the list of persons that have the right to participate in the General Meeting of Shareholders;

- (5) The agenda of the General Meeting of Shareholders;
- (6) The procedure for notifying the shareholders about the General Meeting of Shareholders and the text of the notice;
- (7) The form and text of the ballot(s) and draft resolutions on agenda items;
- (8) The list of information (materials) to be provided to the shareholders when making preparations for the General Meeting of Shareholders, and the procedure for providing such materials;
- (9) In case the agenda includes items the voting on which may, in accordance with the Russian legislation, trigger the shareholders' rights to demand buyout of shares by the Company, the Board of Directors shall also determine the price of the buyout that should correspond to the market price determined in accordance with the Russian legislation, the procedure and timeline of the buyout;
- (10) Recommendations to the General Meeting of Shareholders with regard to voting on certain agenda items.

6.2. Shareholders (their representatives) shall have free access to the venue of the General Meeting of Shareholders held in the format of a meeting. The time of the General Meeting of Shareholders shall not be set before 9 a.m. and after 10 p.m. Moscow time. The registration of participants of the General Meeting of Shareholders shall take place on the day of the Meeting.

6.3. In case of absence of any person or body performing the functions of a working body of the General Meeting of Shareholders or in case of the inability of such person or body to perform these functions, the Board of Directors shall be entitled to appoint a candidate to carry out the functions of such working body of the General Meeting of Shareholders.

6.4. The notice about convening a General Meeting of Shareholders shall be sent to persons included in the list of persons that have the right to participate in the General Meeting of Shareholders by registered certified mail to the address specified in the list of persons that have the right to participate in the General Meeting of Shareholders or shall be delivered to them personally with signature against receipt, not later than:

- (1) 70 days before the date of the meeting if the proposed agenda of the Extraordinary General Meeting of Shareholders includes an item on election of members of the Board of Directors of the Company, reorganisation of the Company through merger, spin-off or breakup and election of the Board of Directors of the Company that is set up through reorganisation in the form of a merger, spin-off or breakup;

- (2) 30 days before the date of the meeting in all other cases.

Information about the forthcoming General Meeting of Shareholders shall be published on the Company's website.

If the individual or legal entity registered in the Shareholder Register of the Company is a nominal holder of shares, the notice of a General Meeting of Shareholders and information (materials) provided to persons that have the right to participate in the General Meeting of Shareholders during preparations for the Meeting shall be sent to the nominal holder in an electronic format (as electronic documents signed with electronic signature).

6.5. The Company shall be entitled to additionally notify shareholders of a General Meeting of Shareholders through other means.

6.6. The text of the notice about the General Meeting of Shareholders of the Company may, upon decision of the Board of Directors, be additionally sent in an electronic format to the shareholders of the Company that have provided their electronic addresses to which such communication may be sent to the Company or the Registrar.

6.7. The text of the notice about a General Meeting of Shareholders shall include:

- (1) the full name and location of the Company;

- (2) the format of the General Meeting of Shareholders (a meeting or voting by a letter ballot);

- (3) the date, place and time of the General Meeting of Shareholders and/or the deadline for accepting the filled-in ballots and the postal addresses to which the filled-in ballots shall be sent;
- (4) the time of opening registration of persons that participate in the General Meeting of Shareholders held in the format of a meeting;
- (5) the date of making the list of persons that have the right to participate in the General Meeting of Shareholders;
- (6) the agenda of the General Meeting of Shareholders;
- (7) the procedure for getting access to the information (materials) to be provided during preparations for a General Meeting of Shareholders, including: the addresses where the materials provided to persons that have the right to participate in the General Meeting of Shareholders during preparation of the General Meeting of Shareholders are available and the address to which corresponding written requests, observations and proposals on these materials and other proposals on agenda items shall be sent.
- (8) if the agenda includes items the voting on which may trigger the right of shareholders that vote against such resolution or did not participate in voting on such item to demand buyout of their shares by the Company, information about possibility of triggering shareholders' right to demand buyout of their shares by the Company, the price of the buyout corresponding to the market price of shares determined by the Board of Directors of the Company in accordance with the legislation based on an independent expert's opinion, and on the procedure and timeline for the buyout.
- (9) if the agenda of an Extraordinary General Meeting of Shareholders includes an item on election of a new Board of Directors, information on the right of shareholders that hold 2 or more percent of voting shares of the Company to nominate candidates for election to the Board of Directors, on the deadline for making this nomination and the address to which such proposals shall be sent.

(See Annex 3 hereto.)

- 6.8. Information (materials) provided to persons that have the right to participate in the General Meeting of Shareholders shall be made available to these persons during the period of 30 days and, if the agenda of the Extraordinary General Meeting of Shareholders includes an item on election of the Board of Directors of the Company, 20 days before the date of the General Meeting of Shareholders, in accordance with the procedure set out in the notice of the General Meeting of Shareholders. Information provided to persons that have the right to participate in the General Meeting of Shareholders of the Company that is not confidential or a commercial secret, shall also be published on the Company's website within the specified timeframe.
- 6.9. The ballots shall be sent to persons included in the list of persons that have the right to participate in the General Meeting of Shareholders by registered certified mail to the address specified in the list of persons that have the right to participate in the General Meeting of Shareholders or shall be delivered to them personally with signature against receipt, not later than 20 days before the date of the General Meeting of Shareholders.
- 6.10. The following information (materials) shall be provided to persons that have the right to participate in the General Meeting of Shareholders on a mandatory basis when preparing for a General Meeting of Shareholders the agenda of which includes relevant items:
  - (1) the annual report of the Company;
  - (2) the annual accounting report of the Company, including the Auditor's opinion;
  - (3) opinions of the Auditing Commission (the Auditor) following audit of the annual accounting report;
  - (4) information about candidates nominated to the Board of Directors, the Auditing Commission (the position of the Auditor), the Counting Board, including information about presence or absence of the candidates' written consent to be elected to the corresponding body of the Company;

- (5) draft amendments proposed for the Company's Charter and internal documents and/or drafts of a new version of the Company's Charter or internal documents;
  - (6) draft resolutions on agenda items of the General Meeting of Shareholders of the Company (draft resolutions may be included in the text of the ballots or executed as a separate document);
  - (7) other information as envisaged by the Company's Charter, the Russian legislation or resolutions of the Board of Directors of the Company.
- 6.11. The Board of Directors may decide to include other additional information in the list of information (materials) that shall be provided during preparations for the General Meeting of Shareholders alongside with mandatory information:
- (1) explanatory notes on agenda items of the General Meeting of Shareholders;
  - (2) recommendations of the Board of Directors of the Company on distribution of profit, including on the amount of dividends paid on the Company's shares and the procedure for their payment, and losses of the Company for a financial year.
- 6.12. Additional information that shall be provided on a mandatory basis when preparing a General Meeting of Shareholders the agenda of which includes items the voting on which may trigger the shareholders' rights to demand the buyout of their shares by the Company includes:
- (1) an opinion of an independent appraiser about the market price of the Company's shares that may be put for buyout;
  - (2) calculation of the net asset value according to the Company's accounting report for the most recent reporting period;
  - (3) the minutes (extract from the minutes) of the meeting of the Board of Directors which determined the buyout price for the Company's shares, stating the buyout price.
- 6.13. Additional information that shall be provided on a mandatory basis when preparing a General Meeting of Shareholders the agenda of which includes an item on the Company's reorganisation includes:
- (1) justification of the terms and procedure of the Company's reorganisation set out in the resolution on breakup, spin-off or restructuring or in the agreement on merger or takeover approved by the authorised body of the Company;
  - (2) annual reports and annual accounting reports of all companies involved in the reorganisation for three full financial years preceding the date of the General Meeting of Shareholders;
  - (3) quarterly accounting reports of all companies involved in the reorganisation for the most recent quarter preceding the date of the General Meeting of Shareholders;
  - (4) a report of the Board of Directors containing the assessment of the need of such reorganisation and measures for protection of the shareholders' rights and interests during the process.
- 6.14. Persons that have the right to participate in the General Meeting of Shareholders of the Company shall be entitled to get access to the information (materials) at addresses stated in the notice.
- 6.15. Persons that have the right to participate in the General Meeting of Shareholders of the Company shall be entitled to request copies of all materials of the General Meeting of Shareholders for a fee that does not exceed the cost of producing such copies.
- 6.16. A request for access to information of the General Meeting of Shareholders or for copies of materials of the General Meeting of Shareholders may be submitted by:
- (1) sending the request by registered certified mail (with confirmation of receipt) to the address (location) of the sole executive body of the Company contained in the Uniform State Register of Legal Entities: 1125009, Russian Federation, Moscow, Mokhovaya Str., 13, bld. 1;



- (2) delivering the request of a shareholder to the Corporate Secretary of the Company or another person authorised to receive correspondence addressed to the Company, with signature against receipt.

The date of making the request shall be determined as the date of the confirmation of receipt or the date of its delivery to the Company. The request shall be supported with documents confirming the powers of the person that has signed it.

- 6.17. The Company shall be obliged to provide the requested documents within 5 (five) days from the date of receipt of such request by the Company. The fee charged by the Company for the provision of the copies of the documents to be provided to persons that have the right to participate in the General Meeting of Shareholders of the Company in the course of preparation for the General Meeting of Shareholders of the Company shall not exceed the cost of making such copies.
- 6.18. If a person included in the list of persons that have the right to participate in the General Meeting of Shareholders of the Company is a nominal holder of shares, the notice of the General Meeting of Shareholders shall be sent to the nominal holder. It shall be the responsibility of the nominal holder of shares to communicate it to its clients in accordance with the procedure and timeframe stipulated by applicable legislation or a contract with the client.

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

- 7.1. The working bodies of the General Meeting of Shareholders shall be:
  - (1) the Chairman;
  - (2) the Secretary;
  - (3) the Counting Board.
- 7.2. The Chairman of the Board of Directors of the Company shall be the Chairman of the General Meeting of Shareholders. In case of the Chairman's absence at the General Meeting of Shareholders, the functions of the Chairman of the General Meeting of Shareholders shall be performed by the Deputy Chairman of the Board of Directors, and in case of his absence, upon decision of the Chairman of the Board of Directors, by any member of the Board of Directors of the Company. If an Extraordinary General Meeting of Shareholders is convened on the basis of a court ruling, in the absence of persons that chair the general meeting of shareholders in accordance with the current legislation or these Terms of Reference, the functions of the Chairman of the General Meeting of Shareholders shall be performed by the person that, in accordance with the court ruling, is convening the Extraordinary General Meeting of Shareholders. If it is impossible to appoint the Chairman of the General Meeting of Shareholders by any of the aforesaid ways, the Chairman shall be elected by a simple show of hands vote of persons who registered for participation in the General Meeting of Shareholders as of the time of election of the Chairman.
- 7.3. The Chairman of the General Meeting of Shareholders shall open and close the General Meeting of Shareholders, shall announce the agenda of the General Meeting of Shareholders and the sequence of presentations and reports on agenda items, the end of discussion of agenda items and start of vote counting, shall give the floor to speakers and for answering questions of the participants of the General Meeting of Shareholders, supervise compliance with the procedures of the General Meeting of Shareholders stipulated herein and sign the minutes of the General Meeting of Shareholders.
- 7.4. The Corporate Secretary of the Company or another authorised person shall be the Secretary of the General Meeting of Shareholders. If the Corporate Secretary or the authorised person is unable to participate in the General Meeting of Shareholders, the Secretary of the General Meeting of Shareholders shall be appointed by the Board of Directors or elected by the General Meeting of Shareholders by a simple show of hands vote of persons who have registered for

participation in the General Meeting of Shareholders as of the time of appointment of the Secretary of the General Meeting of Shareholders.

- 7.5. The Secretary of the General Meeting of Shareholders shall be present at the General Meeting of Shareholders, organise taking of Minutes of the General Meeting of Shareholders, coordinate interaction of the shareholders, the Counting Board and the Company, draft and sign the Minutes of the General Meeting of Shareholders.
- 7.6. The Counting Board or the person performing its functions shall check the powers and register persons for participation in the General Meeting of Shareholders, keep the registration log, check the powers of attorney of shareholders' representatives for compliance with the Russian legislation, keep records of the powers of attorney and the powers given under them; issue and send ballots and other information (materials) of the General Meeting of Shareholders and keep records of the issued (sent) ballots; determine the quorum of the General Meeting of Shareholders; explain issues arising from the shareholders (their representatives) exercising their right to vote at the General Meeting of Shareholders; explain the voting procedures for issues put up for voting; ensure compliance with the voting procedures and the shareholders' rights to vote; count votes and sum up the results of voting; draft a report on voting results; keep an archive of all documents of the General Meeting of Shareholders, including ballots.
- 7.7. The members of the Board of Directors of the Company, of the Auditing Commission of the Company, of executive bodies of the Companies and persons nominated to these bodies cannot be members of the Counting Board of the Company. The Counting Board shall elect its Chairman from among its members.
- 7.8. If the number of shareholders that hold voting shares of the Company is less than 100 (one hundred), the functions of the Counting Board of the Company shall be performed by the Corporate Secretary or another person authorised by the General Meeting of Shareholders by simple majority of votes of shareholders and their representatives registered for participation in the General Meeting of Shareholders.

If the number of shareholders that hold voting shares of the Company is over 100 (one hundred), the Company shall set up a Counting Board consisting of at least three members who shall be individually approved by the General Meeting of Shareholders on recommendation of the Board of Directors or, in absence of such recommendation from the Board of Directors, on proposal of the Chairman of the General Meeting of Shareholders.

If the Company's shareholder register is maintained by the registrar, it may be appointed to perform the functions of the Counting Board. If the number of shareholders that hold voting shares of the Company is over 500 (five hundred), the functions of the Counting Board shall be performed by the Company's Registrar on a mandatory basis. The decision of the General Meeting of Shareholders on appointing the Registrar to perform the functions of the Counting Board shall not be required in this case.

- 7.9. The working bodies shall carry out other functions in accordance with the laws of the Russian Federation, the Company's Charter and these Terms of Reference.

## **8. PROCEDURES FOR PARTICIPATION IN THE GENERAL MEETING OF SHAREHOLDERS. QUORUM OF THE GENERAL MEETING OF SHAREHOLDERS.**

- 8.1. A person that has the right to participate in the General Meeting of Shareholders may participate in the General Meeting of Shareholders through:
  - (1) personal participation in discussion of agenda items and voting on them when the General Meeting of Shareholders is held in the format of a meeting;
  - (2) delegation of an authorised representative for participation in discussion of agenda items and voting on them when the General Meeting of Shareholders is held in the format of a meeting;

- (3) voting on agenda items of the General Meeting of Shareholders held in the format of a meeting by sending filled-in ballots to the Company signed by the shareholder or by his/her authorised representative;
- (4) voting on agenda items of the General Meeting of Shareholders held in the format of letter ballot by sending filled-in ballots to the Company signed personally or by an authorised representative.

8.2. A person that has the right to participate in the General Meeting of Shareholders shall exercise this right either personally or through an authorised representative.

A person that has the right to participate in the General Meeting of Shareholders may delegate his/her right (powers) to a representative by issuing a written power of attorney executed in accordance with the requirements of Article 185 of the Civil Code of the Russian Federation or certified by a notary.

The power of attorney for voting shall include information about the representee and the representative (for an individual: full name, details of an identification document (series and/or number of the document, date and place of issue, the issuing authority); for a legal entity: company name and location), as well as information about the powers of the representative.

A shareholder's representative at the General Meeting of Shareholders shall act in compliance with the powers based on provisions of federal laws or regulations of the authorised government bodies or bodies of local self-government or a power of attorney meeting the requirements of the Russian legislation.

8.3. A shareholder shall be entitled to replace his/her representative at the General Meeting of Shareholders at any time or to participate in the General Meeting of Shareholders personally.

8.4. A shareholder shall be entitled to revoke the power of attorney issued by him/her and participate in the General Meeting of Shareholders personally by submitting a written revocation notice to the Counting Board. Such shareholder will be registered for participation in the General Meeting of Shareholders and given ballots for voting if the notice of replacement (revocation) of the representative was received before registration of the representative whose powers are cancelled.

8.5. A shareholder shall be entitled to delegate only one representative to participate in the General Meeting of Shareholders.

8.6. If a share of the Company is jointly owned by several persons, the right to vote at the General Meeting of Shareholders shall be exercised at their discretion by one of the owners or by their common representative. The powers of such person shall be duly supported by appropriate proof.

Custodians and trustees of legally incapable shareholders that have the right to participate in the General Meeting of Shareholders shall participate in the General Meeting of Shareholders if they have documents confirming their custody or trustee rights.

The sole executive body of a shareholder who is a legal person shall participate in the General Meeting of Shareholders on the basis of documents confirming his/her powers to operate on behalf of the legal person without a power of attorney (articles of association, minutes, appointment documents, etc.) and an ID.

The administrative receiver of a shareholder who is a legal person undergoing a bankruptcy procedure shall participate in the General Meeting of Shareholders on behalf of such legal person in accordance with the current legislation of the Russian Federation. A corresponding court ruling appointing the administrative receiver and his/her ID shall be provided to the Counting Board.

Any court order or ruling banning any shareholder from voting at the General Meeting of Shareholders shall not be considered sufficient ground for refusal to register such shareholder for participation in the General Meeting of Shareholders.

- 8.7. The following persons shall be entitled to participate in the General Meeting of Shareholders in the consultative capacity, without voting on agenda items: members of the Board of Directors, members of executive bodies of the Company, the Auditor of the Company, members of the Auditing Commission and the Counting Board, candidates nominated for election to the Company's governance and audit bodies and other persons invited on initiative of the Board of Directors or persons that initiated (convened) the General Meeting of Shareholders.
- 8.8. Shareholders are considered to have participated in the General Meeting of Shareholders (on all agenda items) held in the format of a meeting if they registered for the meeting and, if the Board of Directors of the Company decided to send ballots to shareholders, if their ballots were received not later than two days before the date of the General Meeting of Shareholders.
- 8.9. Shareholders are considered to have participated in the General Meeting of Shareholders (on all agenda items) held in the format of a letter ballot if their ballots (at least on one agenda item) were received before the final date for submission of filled-in ballots to the Company.
- 8.10. When the General Meeting of Shareholders is held in the format of a meeting, registration of participants shall be held at the venue of the General Meeting of Shareholders.
- 8.11. Persons that have the right to participate in the General Meeting of Shareholders shall be registered for participation in the General Meeting of Shareholders.
- 8.12. Persons that have the right to participate in the General Meeting of Shareholders held in the format of a meeting and whose ballots were received later than two days before the date of the General Meeting of Shareholders (if the Board of Directors decided to send ballots to the shareholders) shall be entitled to attend the General Meeting of Shareholders, but shall not be registered. Upon request of persons registering for the General Meeting of Shareholders and whose ballots were not received by the Company or were received later than two days before the date of the General Meeting of Shareholders, they are entitled to receive voting ballots, marked as reissued, against signature.
- 8.13. Documents confirming the powers of legal successors or representatives of persons that have the right to participate in the General Meeting of Shareholders (their notarised copies) shall be attached to the sent ballots filled in by these persons or shall be submitted to the Counting Board or to the person performing the function of the Counting Board during registration of these persons for participation in the General Meeting of Shareholders.
- 8.14. Persons that have the right to participate in the General Meeting of Shareholders shall be registered upon identification of the persons arriving to participate in the General Meeting of Shareholders by comparing the data contained in the list of persons that have the right to participate in the General Meeting of Shareholders with the data contained in the documents submitted (presented) by the specified persons.
- 8.15. Persons arriving for participation in the General Meeting of Shareholders shall present the following documents at registration:
- (1) shareholders (individuals) shall present their identity documents;
  - (2) representatives of shareholders (individuals) shall present their identity documents and powers of attorney issued by the shareholders and executed in accordance with the current legislation of the Russian Federation and these Terms of Reference, and legal representatives of shareholders (a shareholder) shall present documents confirming their powers;
  - (3) representatives of shareholders (legal entities) shall present their identity documents and powers of attorney issued by the shareholders and executed in accordance with the current legislation of the Russian Federation and these Terms of Reference;
  - (4) chief executives of shareholders (legal entities) shall present their identity documents and also documents confirming their appointment to the respective position.
  - (5) heirs and legal successors of persons included in the lists of persons that have the right to participate in the General Meeting of Shareholders shall present their identity documents

and documents confirming legal succession in accordance with the laws of the Russian Federation

- 8.16. A General Meeting of Shareholders shall be considered quorate (having a quorum) if it is attended by shareholders or their representatives who collectively hold more than one half of the votes of the outstanding voting shares of the Company.
- 8.17. If the agenda of a General Meeting of Shareholders includes items that should be voted on by different groups of voters, the quorum shall be determined separately for each item. Absence of a quorum for passing a resolution on items that require voting by one group of voters shall not prevent the shareholders from passing resolutions on items that require voting by another group of voters for which the quorum is present.
- 8.18. When quorum is determined for approval of a related party transaction, persons that are considered interested parties in accordance with the current legislation shall not be included in the list of voting shareholders.

When quorum is determined for election of members of the Auditing Commission (Auditor) of the Company, the shares held by members of the Board of Directors and persons holding positions in the governance bodies of the Company shall be excluded from the list of voting shares.

When determining quorum, the Counting Board of the Company shall not consider shares that were bought out/acquired by the Company.

In case the shares owned by a shareholder are banned from voting following a court ruling or decision, such shares shall be considered as voting when the quorum of the General Meeting of Shareholders is determined.

- 8.19. The General Meeting of Shareholders held in the format of a meeting shall open if by the quorum for at least one agenda item is present by the time of its opening.
- 8.20. Registration of persons that have the right to participate in the General Meeting of Shareholders shall be closed when the Chairman of the General Meeting of Shareholders closes the discussion of the last agenda item of the General Meeting of Shareholders for which the quorum is present. Shareholders arriving after the registration is closed shall not be allowed to participate in the General Meeting of Shareholders. At the time set for opening of the General Meeting of Shareholders, the Chairman of the Counting Board or the person performing the functions of the Counting Board shall inform the General Meeting of Shareholders whether the quorum is present or not. The Chairman of the General Meeting of Shareholders shall announce the meeting opened (postponed) and present for the General Meeting of Shareholders proposals of the Board of Directors on approval of the procedure of the General Meeting of Shareholders (regulations).
- 8.21. The official language of the General Meeting of Shareholders is Russian. If necessary, materials for the General Meeting of Shareholders shall be translated into English.
- 8.22. The General Meeting of Shareholders may approve the procedures of the General Meeting of shareholders held in the format of meeting that shall set out the following:
  - (1) information about persons performing the functions of the Chairman and the Secretary of the General Meeting of Shareholders, if necessary, about members of the Presidium of the General Meeting of Shareholders;
  - (2) the time limit for reports on agenda items;
  - (3) the time limit for answers of speakers, the Company's officials and candidates to elective bodies on questions asked by persons participating in the General Meeting of Shareholders;
  - (4) the time limit for statements from the participants during debates on presented reports;
  - (5) the time limit for voting on agenda items, the duty of the Chairman of the Counting Board to explain the procedure of voting on agenda items to participants of the meeting;
  - (6) the procedure for counting votes and announcing results.

The Company shall seek to complete the counting of votes and announcement of results before the end of the General Meeting of Shareholders. Upon decision of the Board of Directors of the Company or persons (bodies) convening the General Meeting of Shareholders, the wording of the resolution on the procedures of the General Meeting of Shareholders may include other issues related to the procedures of the General Meeting of Shareholders.

8.23. If by the time of opening of the General Meeting of Shareholders there is no quorum for any of the agenda items, the meeting may be postponed till a later time, but not later than 2 (two) hours. The opening of the meeting shall not be postponed more than once.

8.24. If the quorum for an Annual General Meeting of Shareholders is absent, another meeting with the same agenda shall be convened. If the quorum for an Extraordinary General Meeting of Shareholders is absent, another meeting with the same agenda may be convened.

If the General Meeting of Shareholders was initiated by the Board of Directors, it may change its format by passing a resolution on convening a new General Meeting of Shareholders. The decision to convene another General Meeting of Shareholders shall be made by the Board of Directors or the person who convened the Extraordinary General Meeting of Shareholders.

If the quorum for an Annual General Meeting of Shareholders convened by a court ruling is absent, another meeting with the same agenda shall be convened not later than in 60 days. No additional legal action is required in this case. A repeated General Meeting of Shareholders shall be convened and conducted by the person or body of the Company set out in the court ruling and, if the specified person or body of the Company does not convene an annual general meeting of shareholders within the period determined by court, a repeated meeting of shareholders shall be convened and conducted by other persons or the body of the Company that filed the lawsuit provided these persons or this body of the Company are mentioned in the court ruling.

If the quorum for an Extraordinary General Meeting of Shareholders convened by a court ruling is absent, a repeated general meeting of shareholders shall not be held.

8.25. The decision to hold a repeated General Meeting of Shareholders shall be made by the Board of Directors or, in cases provided for by the legislation, by an authorised judicial authority of the Russian Federation that convened the General Meeting of Shareholders.

8.26. Shareholders shall be notified about a new General Meeting of Shareholders in accordance with procedures envisaged by the Company's Charter and these Terms of Reference for the corresponding format of the General Meeting of Shareholders.

8.27. A repeated General Meeting of Shareholders shall be considered quorate (having a quorum) on an agenda item if it is attended by shareholders that together hold at least 30 percent of outstanding voting shares of the Company.

8.28. When the General Meeting of Shareholders is postponed by less than 40 days due to the absence of quorum, the persons that have the right to participate in the General Meeting of Shareholders shall be determined according to the list of persons that have the right to participate in the failed General Meeting of Shareholders.

8.29. When a repeated General Meeting of Shareholders is convened instead of a failed one, the procedure for convening such General Meeting of Shareholders shall be determined in accordance with the provisions on convening and conducting the General Meeting of Shareholders set out in the Company's Charter, these Terms of Reference and the provisions of the laws of the Russian Federation.

8.30. When necessary, the Company shall ensure attendance of members of the executive bodies of the Company, members and candidates to the Board of Directors, members and candidates to the Auditing Commission and the Company's Auditor, so that the specified persons could answer questions of the shareholders asked at the General Meeting of Shareholders.

8.31. When the General Meeting of Shareholders is held in the format of a letter ballot, shareholders may apply to the Corporate Secretary for additional clarifications of agenda items for the

General Meeting of Shareholders from the Company's officials. The questions shall be submitted to the Company's address in a written form.

**9. PROCEDURES FOR VOTING AND PASSING RESOLUTIONS ON AGENDA ITEMS OF THE GENERAL MEETING OF SHAREHOLDERS.**

9.1. Voting at the General Meeting of Shareholders is conducted by casting ballots (except for cases specified by these Terms of Reference) based on the principle: "one voting share equals one vote", except for:

- (1) cumulative voting to elect the Board of Directors of the Company;
- (2) when the Company has fractional shares that give their owners only part of the vote.

9.2. Regardless of the format of the General Meeting of Shareholders, voting at the meeting is conducted only by ballots on all agenda items. The simple show of hands vote may be used to pass resolutions on approval of the procedures of the meeting, candidacies of the Chairman and the Secretary of the meeting, election of the Counting Board, provided that these questions were not duly resolved in advance and were not included in the agenda of the current General Meeting of Shareholders.

9.3. The forms and text of voting ballots for the General Meeting of Shareholders shall be approved by the Board of Directors.

When the General Meeting of Shareholders is held in the format of joint presence of shareholders to discuss agenda items and pass resolutions on items put to vote, ballots shall be given to persons that have the right to participate in the General Meeting of Shareholders at registration and sent to these persons by registered mail to the address specified in the list of persons that have the right to participate in the General Meeting of Shareholders.

When the General Meeting of Shareholders is held in the format of a letter ballot, ballots shall be sent to persons that have the right to participate in the General Meeting of Shareholders by registered mail to the address specified in the list of persons that have the right to participate in the General Meeting of Shareholders.

9.4. Ballots for voting on agenda items shall include:

- (1) the full name of the Company and its location;
- (2) the format of the General Meeting of Shareholders;
- (3) the date, place and time of the General Meeting of Shareholders, the postal address for sending filled-in ballots and, if the General Meeting of Shareholders is held in the format of a letter ballot, the deadline for submission of the ballots;
- (4) the surname, first name and patronymic of the shareholder (individual) or the company name of the shareholder (legal entity) in accordance with the list of persons that have the right to participate in the General Meeting of Shareholders and the number of voting shares of the Company held by this shareholder;
- (5) the wording of resolutions on each agenda item (the surname, first name and patronymic of each candidate) on which the ballot shall be cast and the sequence of consideration of items;
- (6) voting options on the item put to vote formulated as "for," "against," "abstained," except election of members of the Board of Directors, where the ballot shall also include a field for distributing votes among candidates to the Board of Directors;
- (7) in case of cumulative voting, it shall be specified in the ballot, an explanation shall be provided as to the essence of cumulative voting, and the following clarification shall be included: "fractional part of the vote obtained as a result of multiplying the number of votes held by a holder of a fractional share by the number of persons to be elected to the Board of Directors shall be cast only in favor of one nominee";

- (8) the fields for indicating the number of votes cast for each voting option, and possible indication of the number of votes of the person that has the right to participate in the General Meeting of Shareholders;
- (9) an explanation that the voter may select one voting option only, except when voting in accordance with the instructions of the persons who acquired shares after the date of making the list of persons who have the right to participate in the General Meeting of Shareholders, or in accordance with the instructions of owners of depositary receipts;
- (10) an explanation that if more than one voting option has been selected in the ballot, it is necessary to indicate the number of votes given for each of the voting options in the fields designated for indicating the number of votes and a note should be made to specify that voting was conducted in accordance with the instructions from the owners of shares that were transferred after the date of making the list of persons who have the right to participate in the General Meeting of Shareholders or in accordance with the instructions received from the owners of depositary receipts;
- (11) an explanation that a person voting by proxy with respect to the shares that were transferred after the date of making the list of persons that have the right to participate in the General Meeting of Shareholders, shall indicate the number of votes given for the selected voting option in the fields designated for indicating the number of votes opposite the selected option, and shall make a note that the voting was conducted by proxy on the basis of the power of attorney issued for the shares that were transferred after the date of making the list of persons who have the right to participate in the General Meeting of Shareholders;
- (12) an explanation that if after the date of making the list of persons who have the right to participate in the General Meeting of Shareholders not all shares were transferred, the voting person shall indicate the number of votes given for the selected voting option in the field designated for indicating the number of votes opposite the selected option, and shall make a note that some of the shares were transferred after the date of making the list of persons who have the right to participate in the General Meeting of Shareholders. If the instructions from the purchasers of transferred shares were received after the date of making the list of persons who have the right to participate in the General Meeting of Shareholders and they match the chosen option, such votes shall be added up;
- (13) an instruction that the ballot shall be signed by the shareholder.

(See Annex hereto.)

- 9.5. If the shares were transferred after making the list of persons who have the right to participate in the General Meeting of Shareholders to one or two purchasers, the person included in the list of persons who have the right to participate in the General Meeting of Shareholders shall vote at the General Meeting of Shareholders in compliance with instructions from each of the purchasers and/or issue a power of attorney for voting to each of the purchasers with the indication of the number of shares with which such a person is entitled to vote.
- 9.6. If voting shares are traded outside Russia as securities of a foreign issuer issued under foreign laws and confirming the title to such shares (depositary receipts), voting with these shares shall be performed strictly in compliance with the instructions of the owners of the depositary receipts.
- 9.7. Persons registered for participation in the General Meeting of Shareholders held in the format of a meeting shall be entitled to vote on all agenda items, starting from the opening of the General Meeting of Shareholders till its closure, and if the voting results and resolutions of the General Meeting of Shareholders are announced at the General Meeting – from the opening of the General Meeting till the beginning of vote count on agenda items. This rule shall not apply to voting on procedures of the General Meeting of Shareholders.
- 9.8. After the discussion of the last agenda item of the General Meeting of Shareholders (the last agenda item for which the quorum is present) is over and till the closure of the General Meeting



of Shareholders (start of vote count), persons who have not voted shall be given time to vote (at least 15 minutes).

- 9.9. The General Meeting of Shareholders, which by the time of its opening had the quorum only for certain agenda items, cannot be closed if persons whose registration provides for quorum for passing resolutions on other agenda items of the General Meeting of Shareholders registered before the registration was closed.
- 9.10. Voting ballots received by the Company and signed by a representative acting on the basis of a power of attorney shall be regarded null and void should the Company or the Registrar performing the function of the Counting Board receive a notice of replacement (revocation) of this representative, not later than two days before the date of the General Meeting of Shareholders.
- 9.11. A person that has the right to participate in the General Meeting of Shareholders (including a new representative acting on the basis of a power of attorney for voting) shall be registered for participation in the General Meeting of Shareholders and shall be given voting ballots if the Company or the Registrar performing the function of the Counting Board received a notice of replacement (revocation) of the representative before registration of the representative whose powers are terminated.
- 9.12. Resolutions of the General Meeting of Shareholders shall be passed by simple majority of votes of shareholders owning voting shares and participating in the General Meeting of Shareholders except for cases envisaged by the Russian laws and the Company's Charter.
- 9.13. Persons entitled to participating in the General Meeting of Shareholders shall have the right to have a copy of their filled-in voting ballots authenticated by the Company's Counting Board.
- 9.14. Members of the Board of Directors of the Company shall be elected by a cumulative vote. In the cumulative vote the number of votes owned by each shareholder shall be multiplied by the number of persons to be elected to the Board of Directors, and a shareholder shall thus be entitled to cast the resulting votes for one candidate or distribute them between two or more candidates.
- 9.15. The General Meeting of Shareholders shall not be entitled to pass resolutions on items not included in its agenda or to change its agenda.

**10. PROCEDURES FOR COUNTING VOTES ON AGENDA ITEMS OF THE GENERAL MEETING OF SHAREHOLDERS. PROCEDURES FOR NOTIFYING PERSONS THAT HAVE THE RIGHT TO PARTICIPATE IN THE GENERAL MEETING OF SHAREHOLDERS OF VOTING RESULTS AND RESOLUTIONS PASSED.**

- 10.1. The functions of counting votes on agenda items of the General Meeting of Shareholders and tallying the votes shall be performed by the Counting Board of the Company or the person performing the functions of the Counting Board in accordance with the Charter and internal documents of the Company.
- 10.2. The votes cast on an item put to vote at the General Meeting of Shareholders, with the right to vote on such an item possessed by holders of ordinary shares, shall be counted for all voting shares jointly.
- 10.3. For the purposes of determining the quorum and counting votes, parts of a vote represented by fractional shares shall be added up without rounding.
- 10.4. In case a participant fails to submit his/her ballot in the course of the voting for any reason, the votes of such participant shall not be taken into account when counting the votes.

- 10.5. In case the Counting Board receives a court decision or ruling that bans a specific shareholder to vote with his/her shares, the ballot of such shareholder shall not be taken into account when counting the votes.
- 10.6. When summing up the results of vote on elections to the bodies of the Company pertaining to the persons who submitted a written refusal to be nominated to the respective body of the Company, the Counting Board shall disregard the results of the vote regarding the election of the mentioned persons to the respective body of the Company and shall exclude the votes in favor of such persons from the minutes of the voting results.
- 10.7. Ballots shall be considered void and the votes contained in them shall be disregarded if:
  - (1) there are corrections to the requisites of the ballot;
  - (2) the text or form of the ballot submitted to the Counting Board does not correspond to the text and form of the ballot approved by the Board of Directors of the Company;
  - (3) more than one voting options are left in the ballot, except when voting in accordance with the instructions of the persons who acquired shares after the date of making the list of persons who have the right to participate in the General Meeting of Shareholders, or in accordance with the instructions of owners of depositary receipts.
  - (4) no voting option is left in the ballot;
  - (5) all voting options in the ballot are crossed out;
  - (6) the ballot lacks a shareholder's signature;
  - (7) the Company received ballots signed by a representative acting on the basis of a power of attorney for voting, if the Company received a notice of replacement (revocation) of this representative not later than two days before the date of the General Meeting of Shareholders;
  - (8) in the course of counting votes, two or more filled-in ballots of one person are discovered in which the voting person left different voting options on the same agenda item of the General Meeting of Shareholders. This rule shall not be applied to ballots signed by a person who issued a power of attorney for voting with regard to shares transferred after the date of making the list of persons that have the right to participate in the General Meeting of Shareholders and/or persons acting on the basis of such powers of attorney, where the field for indicating the number of votes given for each voting option indicates the number of votes given for the corresponding voting option and contains corresponding marks envisaged by paragraphs 9.4.10-9.4.12 hereof;
  - (9) the ballot for voting on election of members of the Auditing Commission or the Counting Board of the Company has the "for" voting option selected for a higher number of candidates than the number of persons to be elected to the corresponding body of the Company. This rule shall not be applied to ballots signed by a person voting on shares transferred after the date of making the list of persons that have the right to participate in the General Meeting of Shareholders in accordance with instructions from the purchasers of such shares and/or a person voting on shares that are traded outside the Russian Federation in the form of depositary receipts, containing relevant marks envisaged by paragraphs 9.4.10-9.4.12 hereof;
  - (10) the ballot has the "for" options left for alternative options of the resolution;
  - (11) in case of cumulative voting, the shareholder distributed more votes than he/she has among nominees to the Board of Directors;
  - (12) the ballots were submitted to the Counting Board after the vote count started.
- 10.8. Votes from ballots that are considered void shall not be taken into account when summarising the voting results;
- 10.9. If the agenda of a General Meeting of Shareholders includes items on:
  - (1) restructuring of the Company;
  - (2) approval of a major transaction;
  - (3) introducing amendments to the Company's Charter (approval of a new version of the Charter) that limit the shareholders' rights;

- (4) placement of shares or securities convertible into shares through private subscription (except when such securities are placed through private subscription only among the shareholders and the shareholders have the right to acquire a whole number of shares or other securities pro rata to their number of shares of corresponding categories),

the Counting Board shall make a separate list of shareholders that did not participate in voting or voted "against" on such agenda items of the General Meeting of Shareholders.

- 10.10. After the vote count, the Counting Board (or the person performing the functions of the Counting Board) shall draw up minutes on voting results that shall be signed by members of the Counting Board or the person performing the functions of the Counting Board. The minutes on vote count shall be drawn up not later than 3 (three) business days after the closing of the General Meeting of Shareholders or the final date of accepting ballots if the General Meeting of Shareholders is held in the format of a letter ballot.
- 10.11. Resolutions passed by the General Meeting of Shareholders and voting results on agenda items shall be announced by the Counting Board (the person performing the functions of the Counting Board) at the General Meeting of Shareholders in the course of which the voting took place or shall be sent to persons included in the list of persons that have the right to participate in the General Meeting of Shareholders in the form of a report on vote count at the General Meeting of Shareholders in accordance with the procedure envisaged for the notice of convening a General Meeting of Shareholders.

The report on voting results shall be furnished to persons that have the right to participate in the General Meeting of Shareholders not later than 10 (ten) days after drawing up the minutes of the Counting Board on voting results by means envisaged by the Company's Charter and these Terms of Reference for notifying shareholders of the General Meeting of Shareholders. Voting results on election of the Board of Directors and the Auditing Commission (Auditor) of the Company shall be announced at the General Meeting of Shareholders and come into force upon announcement. A report on voting results shall be published on the Company's website.

- 10.12. The Counting Board's minutes on voting results shall be added to the minutes of the General Meeting of Shareholders. The minutes of voting results shall state:
  - (1) the full name and location of the Company;
  - (2) the type of the General Meeting of Shareholders (annual or extraordinary);
  - (3) the format of the General Meeting of Shareholders (a meeting or voting by a letter ballot);
  - (4) the date of the General Meeting of Shareholders (the final date of submission of filled-in ballots);
  - (5) the venue of the General Meeting of Shareholders (the address to which filled-in ballots were sent);
  - (6) the agenda of the General Meeting of Shareholders;
  - (7) the time of opening and time of closing registration of persons that have the right to participate in the General Meeting of Shareholders held in the format of a meeting;
  - (8) the time of opening and time of closing the General Meeting of Shareholders held in the format of a meeting and, if resolutions passed by the General Meeting of Shareholders and voting results were announced at the General Meeting of Shareholders, the time when vote count started;
  - (9) the number of votes available to persons included in the list of persons that have the right to participate in the General Meeting of Shareholders on each agenda item of the General Meeting of Shareholders;
  - (10) the number of votes available to persons that participated in the General Meeting of Shareholders on each agenda item of the General Meeting of Shareholders, specifying whether the quorum for each item was present;
  - (11) the number of votes cast for each voting option ("for," "against" and "abstained") on each agenda item of the General Meeting of Shareholders for which the quorum was present;
  - (12) the number of votes on each agenda item of the General Meeting of Shareholders put to vote that were not counted due to the ballots being declared void;

- (13) the names of the members of the Counting Board or, if the functions of the Counting Board were performed by the Registrar, the full company name and location of the Registrar and the names of its authorised representatives;
- (14) the date of drawing up the minutes on voting results;
- (15) the minutes on voting results shall be signed by member of the Counting Board or the person performing the functions of the Counting Board, or, if the functions of the Counting Board were performed by the Registrar, by persons authorised by the Registrar.

10.13. After the minutes of voting results are drawn up and the minutes of the General Meeting of Shareholders are signed, ballots and powers of attorney (their copies) for participation in the General Meeting of Shareholders shall be sealed by the Counting Board (the person performing the functions of the Counting Board) and placed in the Company's archive for an unlimited period of time. Sealed ballots shall be stored by the Company in a dedicated lockable sealable box or a dedicated cabinet with lockable compartments. Each fact of opening up the stored sealed voting ballots by a person (persons) authorised by the Company to perform such an act shall be registered in a respective report.

The lists of persons that have the right to participate in the General Meeting of Shareholders, as well as other lists compiled by the Company for the shareholders to exercise their rights while preparing and holding the General Meeting of Shareholders shall be stored for an unlimited period of time at the registered address of the Company's executive body.

The documents confirming the fact of sending out the notices of the General Meeting of Shareholders, the voting ballots, the reports on voting results shall be kept for three years starting from 01 January of the year following the year when the documents were sent out.

10.14. The report on voting results at the General Meeting of Shareholders shall state:

- (1) the full name and location of the Company;
- (2) the type of the General Meeting of Shareholders (annual or extraordinary);
- (3) the format of the General Meeting of Shareholders (a meeting or voting by a letter ballot);
- (4) the date of the General Meeting of Shareholders (the final date of submission of filled-in ballots);
- (5) the venue of the General Meeting of Shareholders held in the format of a meeting (the address at which the meeting was held);
- (6) the agenda of the General Meeting of Shareholders;
- (7) the number of votes available to persons included in the list of persons that have the right to participate in the General Meeting of Shareholders on each agenda item of the General Meeting of Shareholders;
- (8) the number of votes available to persons that participated in the General Meeting of Shareholders on each agenda item of the General Meeting of Shareholders, specifying whether the quorum for each item was present;
- (9) the number of votes cast for each voting option ("for," "against" and "abstained") on each agenda item of the General Meeting of Shareholders for which the quorum was present;
- (10) the wording of resolutions passed by the General Meeting of Shareholders on each agenda item of the General Meeting of Shareholders;
- (11) the names of the members of the Counting Board or, if the functions of the Counting Board were performed by the Registrar, the full company name and location of the Registrar and the names of its authorised representatives;
- (12) the names of the Chairman and the Secretary of the General Meeting of Shareholders;
- (13) the report on voting results shall be signed by the Chairman and the Secretary of the General Meeting of Shareholders.

10.15. The minutes of the General Meeting of Shareholders shall be drawn up not later than 3 (three) business days after the closing of the General Meeting of Shareholders in two counterparts. Both counterparts shall be signed by the Chairman of the General Meeting of Shareholders and the Secretary of the General Meeting of Shareholders, bound and sealed with the Company's seal.

10.16. The minutes of the General Meeting of Shareholders shall state:

- (1) the full name and location of the Company;
- (2) the type of the General Meeting of Shareholders (annual or extraordinary);
- (3) the format of the General Meeting of Shareholders (a meeting or voting by letter ballot);
- (4) the date of the General Meeting of Shareholders (the final date of submission of filled-in ballots);
- (5) the venue of the General Meeting of Shareholders held in the format of a meeting (the address at which the meeting was held);
- (6) the agenda of the General Meeting of Shareholders;
- (7) the time of opening and time of closing registration of persons that have the right to participate in the General Meeting of Shareholders held in the format of a meeting;
- (8) the time of opening and time of closing the General Meeting of Shareholders held in the format of a meeting and, if resolutions passed by the General Meeting of Shareholders and voting results were announced at the General Meeting of Shareholders, the time when vote count started;
- (9) the postal address(es) to which filled-in ballots were sent;
- (10) the total number of votes available to shareholders that own voting shares of the Company, including on each agenda item of the General Meeting of Shareholders;
- (11) the number of votes available to persons that participated in the General Meeting of Shareholders on each agenda item of the General Meeting of Shareholders, specifying whether the quorum for each item was present;
- (12) key theses of presentations and names of the speakers on each agenda item of the General Meeting of Shareholders held in the format of a meeting;
- (13) the number of votes cast for each voting option ("for," "against" and "abstained") on each agenda item of the General Meeting of Shareholders for which the quorum was present;
- (14) issues put to vote and voting results on them, resolutions passed by the General Meeting of Shareholders on each agenda item;
- (15) the Chairman of the General Meeting of Shareholders and the Secretary of the General Meeting of Shareholders;
- (16) the date of drawing up the minutes of the General Meeting of Shareholders.

10.17. If the agenda of the General Meeting of Shareholders included approval of a related party transaction, the minutes of the General Meeting of Shareholders, the minutes of voting results at the General Meeting of Shareholders and the report on voting results at the General Meeting of Shareholders shall state:

- (1) the number of votes on this item available to persons included in the list of persons that have the right to participate in the General Meeting of shareholders who are not a related party in the transaction;
- (2) the number of votes on this item available to persons that participated in the General Meeting of Shareholders who are not a related party in the transaction;
- (3) the number of votes cast for each voting option on this agenda item ("for," "against" and "abstained").

10.18. The resolution voting on which was conducted by ballots (except for issues on the procedures of the meeting) shall be considered passed (not passed) immediately after the announcement of the voting results at the General Meeting of Shareholders or from the date of drawing up a report on voting results. Resolutions on procedures of the meeting shall be considered passed (not passed) immediately after announcement of voting results on these issues.

10.19. In order to ensure that the General Meeting's resolutions are available to all the shareholders of the Company, the information about voting results and the resolutions passed by the General Meeting of the Company's Shareholders in the format used for drawing up the minutes of the General Meeting of the Company's shareholders shall be published on the Company's website online within 1 (one) day from drawing up the minutes of the General Meeting of the Company's shareholders.

- 10.20. Upon a written request of a shareholder, such shareholder shall be provided a copy of the minutes of the General Meeting of Shareholders or an extract from them. Upon a shareholder's request, such documents may be sent to him/her by electronic mail.
- 10.21. A shareholder shall be entitled to appeal a resolution of the General Meeting of Shareholders passed in violation of the Federal Law "On Joint-Stock Companies", other regulations of the Russian Federation or the Company's Charter in court, in case the shareholder did not participate in the General Meeting of Shareholders or voted against adopting this resolution, and the mentioned resolution infringed on his/her rights and legitimate interests.

## **11. LIABILITY FOR NON-COMPLIANCE WITH LEGAL REQUIREMENTS REGARDING PREPARATION AND CONDUCT OF A GENERAL MEETING OF SHAREHOLDERS.**

- 11.1. Liability for breaching these Terms of Reference shall be borne by the guilty persons and may entail, to the extent stipulated by law, disciplinary or other liability placed on such persons.

## **12. VALIDITY OF THE TERMS OF REFERENCE. PROCEDURES FOR AMENDING THE TERMS OF REFERENCE.**

- 12.1. These Terms of Reference may only be amended by a resolution of the General Meeting of Shareholders.
- 12.2. The General Meeting of Shareholders may terminate these Terms of Reference and adopt new Terms of Reference. From the date of passing the resolution on approval of the new Terms of Reference of the General Meeting of Shareholders of Sistema JSFC, the previous Terms of Reference shall be considered null and void.
- 12.3. Should there be any conflict between the provisions of the current laws of the Russian Federation and these Terms of Reference, the provisions of the current laws of the Russian Federation shall prevail.
- 12.4. The federal executive authority regulating the securities market may adopt additional requirements for the procedure of convening and conducting the General Meeting of Shareholders that shall apply regardless of whether they are provided for in these Terms of Reference.

**OJSC**  
**Sistema Joint-Stock Financial Corporation,**  
Russia, Moscow, Mokhovaya str., 13, bld. 1.

**<ANNUAL/EXTRAORDINARY> GENERAL MEETING OF SHAREHOLDERS**  
held in the format of <a meeting (joint presence of shareholders)/letter ballot< <date of the meeting>.  
<at the address/address for submitting filled-in ballots>

The time of opening registration for persons participating in the meeting: – <...>. The time of opening of the meeting: – <...>.

Full name or full company name of the shareholder	
Registration Number	Number of votes

**BALLOT No 1**  
for voting on agenda items 1, 2.

Leave **only one** option, **cross out unnecessary options**.

<b>1. &lt;...&gt;.</b>		<b>Voting options</b>		
The wording of the resolution put to the vote:				
<...>.		<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAINED</b>
<b>*</b>	Number of votes cast for each voting option (to be completed <b>only</b> in the cases listed in the NOTES).			

<b>2. &lt;...&gt;.</b>				
Wording of the resolution: <...>:				
No.	<...>	<b>Voting options</b>		
2.1.	<...>	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAINED</b>
<b>*</b>	Number of votes cast for each voting option (to be completed <b>only</b> in the cases listed in the NOTES).			

2.2.	<...>	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAINED</b>
<b>*</b>	Number of votes cast for each voting option (to be completed <b>only</b> in the cases listed in the NOTES).			

2.3.	<...>	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAINED</b>
<b>*</b>	Number of votes cast for each voting option (to be completed <b>only</b> in the cases listed in the NOTES).			

<b>**</b>	Put <b>X</b> next to the option describing the basis on which the voting is performed (to be completed <b>only</b> in the cases listed in the NOTES).	Voting shall be conducted in accordance with the instructions of the buyers of shares transferred after completing the list of persons entitled to participate in the general meeting.
		Voting shall be conducted in accordance with the instructions of the owners of depositary receipts.
		Voting shall be conducted in accordance with the power of attorney issued with respect to the shares transferred after completing the list of persons entitled to participate in the general meeting.
		Some of the shares were transferred after the date of compiling the list of individuals and legal entities entitled to participate in the general meeting.

The voter is entitled to select one voting option only, except in the event of voting in line with the instructions of the persons who acquired the shares after the date of making list of persons who have the right to participate in the general meeting, or in line with the instructions of owners of depositary securities.

A person entitled to participate in the general shareholders meeting has the right to send the filled-in and signed ballot in advance to Sistema JSFC at the address: 1 Moscow, Prechistenka str., 17/8/9, bld. 1, attn. Corporate Secretary. Ballots received **not later than** <the final date for submitting ballots or the date of the meeting in days> shall be counted when determining the quorum and voting results.

If the ballot is signed by a representative or an assignee, it is necessary to specify their full name, the details of the document confirming their powers and attach such a document or a copy of the power of attorney certified by a public notary to the ballot.

Please do not forget to **SIGN** the ballot !

\_\_\_\_\_

Full name of the representative or legal successor,  
details of the document confirming powers  
(number, date of issue, the issuing person)

\_\_\_\_\_

signature of the shareholder  
(representative or legal successor)

NOTES and Procedure for filling in columns \* and \*\*:

**Sections \* and \*\* shall ONLY be filled out by the persons who Acquired/Transferred shares after the date of finalizing the list of persons entitled to participate in the general meeting of shareholders and have the power of attorney to vote or have the voting instructions from the buyer, as well as by the persons voting in line with the instructions of the owners of depositary securities.**

How to fill in columns \* and \*\*:

- 1) If more than one voting option have been selected in the ballot, it is necessary to indicate the number of votes given for each of the voting options in the fields left for indicating the number of votes and a note should be made to specify that voting was conducted in accordance with the instructions from the owners of shares that were transferred after the date of compiling the list of persons entitled to participate in the general meeting and (or) in accordance with the instructions received from the owners of securities;
- 2) The person voting by proxy with respect to the shares that were transferred after the date of compiling the list of persons entitled to take part in the general meeting, shall indicate the number of votes given for the selected voting option in the field designated for indicating the number of votes opposite the selected option, and shall make a note that the voting was conducted by proxy on the basis of the power of attorney issued for the shares that were transferred after the date of compiling the list of persons entitled to take part in the general meeting;
- 3) If after the date of compiling the list of persons entitled to participate in the general meeting not all shares were transferred, the voting person shall indicate the number of votes given for the selected voting option in the field designated for indicating the number of votes opposite the selected option, and shall make a note that some of the shares were transferred after the date of compiling the list of persons entitled to participate in the general meeting. If instructions were received with respect to the shares transferred after the date of compiling the list of persons entitled to take part in the general meeting from the buyers of such shares and if such instructions coincided with the selected voting option, then such votes shall be added up.



**OJSC**  
**Sistema Joint-Stock Financial Corporation,**  
Russia, Moscow, Mokhovaya str., 13, bld. 1.

**<ANNUAL/EXTRAORDINARY> GENERAL MEETING OF SHAREHOLDERS**  
held in the format of <a meeting (joint presence of shareholders)/letter ballot< <date of the meeting>.  
<at the address/address for submitting filled-in ballots>

The time of opening registration for persons participating in the meeting: – <...>. The time of opening of the meeting: – <...>.

Full name or full company name of the shareholder	
Registration Number	Number of votes

**BALLOT No 2**  
for voting on agenda item 6.

**6. Election of members of the Board of Directors.**

In the cumulative vote the number of votes owned by each shareholder shall be multiplied by the number of persons to be elected to the Board of Directors, and a shareholder is thus entitled to cast the resulting votes for one candidates or distribute them between two or more candidates.

Number of shares	Number of cumulative votes	x 13 =

Wording of the resolution: <b>"Elect the members of the Board of Directors as follows:</b>							
No.	<u>Surname, first name, patronymic of the candidate</u>	Number of votes "FOR"			* Number of votes given for every voting option (to be filled in <b>only</b> in the cases specified in NOTES).		
					Number of votes "FOR"	"AGAINST" all candidates	"ABSTAINED" for all candidates
1			"Against" all candidates	"Abstained" for all candidates			
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							

**	Put <b>X</b> next to the option describing the basis on which the voting is performed (to be completed <b>only</b> in the cases listed in the NOTES).	Voting shall be conducted in accordance with the instructions of the buyers of shares transferred after completing the list of persons entitled to participate in the general meeting.
		Voting shall be conducted in accordance with the instructions of the owners of depositary receipts.
		Voting shall be conducted in accordance with the power of attorney issued with respect to the shares transferred after completing the list of persons entitled to participate in the general meeting.
		Some of the shares were transferred after the date of compiling the list of individuals and legal entities entitled to participate in the general meeting.

A person entitled to participate in the general shareholders meeting has the right to send the filled-in and signed ballot in advance to Sistema JSFC at the a 119034, Moscow, Prechistenka str., 17/8/9, bld. 1, attn. Corporate Secretary. Ballots received **not later than <the final date for submitting ballots or the date of the n minus 2 days>** shall be counted when determining the quorum and voting results.

If the ballot is signed by a representative or an assignee, it is necessary to specify their full name, the details of the document confirming their powers and attach document or a copy of the power of attorney certified by a public notary to the ballot.

Please do not forget to **SIGN** the ballot !

\_\_\_\_\_

Full name of the representative or legal successor,  
details of the document confirming powers  
(number, date of issue, the issuing person)

\_\_\_\_\_

shareholder's signature  
(representative or legal successor)

NOTES and Procedure for filling in columns \* and \*\*:

**Sections \* and \*\* shall ONLY** be filled in by the persons who **Acquired/Transferred** shares **after 15 May 2009** and have the power of attorney to vote or have the voting instructions from the buyer, as well as by the persons voting in line with the instructions of the owners of depositary securities.

How to fill in columns \* and \*\*:

1) If more than one voting option have been selected in the ballot, it is necessary to indicate the number of votes given for each of the voting option in the fields left for indicating the number of votes and a note should be made to specify that voting was conducted in accordance with the instructions from the owners of shares that were transferred after the date of compiling the list of persons entitled to participate in the general meeting and (or) in accordance with the instructions received from the owners of securities;

2) The person voting by proxy with respect to the shares that were transferred after the date of compiling the list of persons entitled to take part in the general meeting, shall indicate the number of votes given for the selected voting option in the field designated for indicating the number of vote opposite the selected option, and shall make a note that the voting was conducted by proxy on the basis of the power of attorney issued for the share that were transferred after the date of compiling the list of persons entitled to take part in the general meeting;

3) If after the date of compiling the list of persons entitled to participate in the general meeting not all shares were transferred, the voting person shall indicate the number of votes given for the selected voting option in the field designated for indicating the number of votes opposite the selected option, and shall make a note that some of the shares were transferred after the date of compiling the list of persons entitled to participate in the general meeting. If instructions were received with respect to the shares transferred after the date of compiling the list of persons entitled to take part in the general meeting from the buyers of such shares and if such instructions coincided with the selected voting option, then such votes shall be added up.

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OPEN JOINT-STOCK COMPANY  
JOINT-STOCK FINANCIAL CORPORATION  
**SISTEMA**

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**NOTICE OF THE <ANNUAL/EXTRAORDINARY> GENERAL MEETING OF SHAREHOLDERS**

Open Joint-Stock Company Sistema Joint-Stock Financial Corporation, location: Moscow, 125009, Russia Mokhovaya str., 13, bld. 1, hereby informs that the Annual (Extraordinary) General Meeting of Shareholders of Sistema JSFC will be held in the format of <(i) a meeting (joint presence of the shareholders to adopt resolutions on items put to vote), (ii) letter ballot> with prior circulation of ballot papers on the items of the agenda.

Format of the meeting: <...>

Date and time: <...>

Venue of the meeting<sup>1</sup>: <...>

The address for sending filled-in  
and signed ballots:

**119034, Russia, Moscow, Prechistenka str.,  
17/8/9, bld. 1,  
attn. Corporate Secretary.**

The date of making the list of individuals and legal entities that have the right to participate  
in the General Meeting of Shareholders: <...>

Registration of shareholders (their representatives) for participation in the Annual General Meeting of Shareholders of Sistema JSFC shall be conducted on the date of the meeting, starting from <time> (Moscow time) at the venue of the meeting.

In order to register it is necessary to provide identification document and, in cases stipulated by the legislation, documents that confirm the voting powers (power of attorney and/or other documents according to the Russian legislation).

**AGENDA OF THE MEETING**

- 1) ...
- 2) ...

Shareholders may send filled-in and signed ballots to the address: 119034, Russia, Moscow, Prechistenka str., 17/8/9, bld. 1, attn. Corporate Secretary. Ballots received by the Company not later than <the final date for submitting ballots or the date of the meeting minus 2 days> shall be counted when determining the quorum and voting results of the Annual General Meeting of Shareholders.

Shareholders of Sistema JSFC may familiarise themselves with the materials and obtain copies of the materials to be provided to shareholders of Sistema JSFC during preparations for the Annual General Meeting of Shareholders of Sistema JSFC at the address: Russia, Moscow, Prechistenka, 17/8/9, bld. 1, on business days from 10 a.m. till 17 a.m. Moscow time at the Corporate Secretary (495) 730 6089, starting from <the date of

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<sup>1</sup> included only if the meeting is held in the format of joint presence of the shareholders to adopt resolutions on agenda items.

*sending out the notice of the General Meeting of Shareholders> till <the final date of accepting ballots or the date of the meeting>, as well as on the Company's website. ([www.sistema.ru](http://www.sistema.ru) / [www.sistema.com](http://www.sistema.com))*

**Board of Directors of Sistema JSFC**



OPEN JOINT-STOCK COMPANY  
JOINT-STOCK FINANCIAL CORPORATION  
**SISTEMA**

*<Annual/Extraordinary> General Meeting of Shareholders of Sistema JSFC, <date>, <venue of the meeting>.*

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**Explanatory note related to materials of the <Annual/Extraordinary> General Meeting of Shareholders of Sistema JSFC on agenda item <item number> "<item title>"**

*<The text of the explanatory note that justifies the draft resolution proposed for approval by the General Meeting of Shareholders>*