

**To the 5-th question of the AGM's
Agenda**

Approved
by the General Meeting of Shareholders

JSC CenterTelecom

_____, 2003

Minutes No. ____

of _____, 2003

REGULATIONS

**On the General Meeting of Shareholders
Joint Stock Central Telecommunication Company**

Moscow 2003

These Regulations On the General Meeting of Shareholders (hereinafter the “Regulations”), pursuant to the effective applicable legislation of the Russian Federation and the Charter of Joint-Stock Central Telecommunication Company (hereinafter the “Company”) establish the procedure for conducting the General Meeting of Shareholders and other issues connected with preparing for and conducting annual and extraordinary general meetings of shareholders.

1. GENERAL MEETING OF SHAREHOLDERS: TYPES, FORMS, TIMING, VENUE

1.1 The General Meeting of Shareholders is the highest management body of the Company.

1.2 The Company must each year conduct an annual general meeting of shareholders.

The annual general meeting of shareholders shall address the following matters:

election of the Board of Directors of the Company;

election of the Internal Audit Commission of the Company;

approval of the auditor of the Company;

approval of the Company’s annual reports and annual accounts, including the Company’s profit and loss reports (profit and loss accounts) and distribution of profit, including payment (declaration) of dividends and Company losses according to the results of the financial year;

other matters within the authority of the General Meeting of Shareholders may also be resolved.

1.3 General meetings of shareholders other than the annual general meetings of shareholders are extraordinary general meetings of shareholders.

An extraordinary general meeting of shareholders shall be held pursuant to a resolution of the Board of Directors, adopted at its own initiative or pursuant to a request from the Internal Audit Commission of the Company, the auditor of the Company or shareholders (a shareholder) holding a total of at least 10 percent of voting shares of the Company as of the date that the request is presented, through the procedure provided herein.

1.4 The General Meeting of Shareholders may be held in the form of:

a meeting – joint attendance by shareholders to discuss matters on the agenda and adopt resolutions on matters put to the vote;

in absentia voting.

A General Meeting of Shareholders the agenda of which includes such matters as election of the Board of Directors of the Company, election of the Internal Audit Commission of the Company, approval of the auditor of the Company or approval of the Company’s annual reports and annual accounts, including the Company’s profit and loss reports (profit and loss accounts) and distribution of profit, including payment (declaration) of

dividends and Company losses according to the results of the financial year, may not be held in the form of *in absentia* voting.

- 1.5 The annual general meeting of shareholders shall be held no sooner than four months and no later than six months after the end of the financial year.
- 1.6 An extraordinary general meeting of shareholders convened pursuant to a request from the Internal Audit Commission of the Company, the auditor of the Company or shareholders (a shareholder) holding a total of at least 10 percent of voting shares of the Company must be held within 40 days from the moment the request for holding an extraordinary general meeting of shareholders has been presented.
- 1.7 An extraordinary general meeting of shareholders convened pursuant to a request from the Internal Audit Commission of the Company, the auditor of the Company or shareholders (a shareholder) holding a total of at least 10 percent of voting shares of the Company must, if the agenda includes election of the Board of Directors of the Company, be held within 70 days from the moment the request for holding an extraordinary general meeting of shareholders has been presented.
- 1.8 If the number of members of the Board of Directors of the Company falls below the quorum for sessions of the Board of Directors of the Company, an extraordinary general meeting of shareholders convened pursuant to a resolution of the Board of Directors of the Company at its own initiative to elect the Board of Directors of the Company, must be held within 70 days from the moment the Board of Directors of the Company has adopted the resolution to hold the meeting.
- 1.9 Except as provided in Clause 1.8 herein, an extraordinary general meeting of shareholders convened pursuant to a resolution of the Board of Directors of the Company at its own initiative to address any matters within the authority of the General Meeting of Shareholders, including:
 - early termination of the authorities of the Board of Directors of the Company and election of the Board of Directors of the Company (if the number of members of the Board of Directors of the Company is not less than the quorum for sessions of the Board of Directors of the Company);
 - election of the Company’s Board of Directors (if the Board of Directors has not, for whatever reason, been elected);

shall be held within the deadlines determined by the Board of Directors of the Company with regard to requirements of the effective legislation and the Company’s Charter.

2. PROCEDURE FOR PROPOSING MATTERS FOR THE AGENDA OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS, NOMINATING CANDIDATES FOR

COMPANY BODIES TO BE ELECTED BY THE GENERAL MEETING OF
SHAREHOLDERS AND PRESENTING REQUESTS FOR CONVOCAION OF AN
EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

- 2.1 Proposals of matters for the agenda of the annual general meeting of shareholders, proposals nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders and requests for an extraordinary general meeting of shareholders may be submitted by:

post to the address (location) of the Company's individual executive body as specified in the Unified State Register of Legal Entities;

delivery against signature to the person performing the functions of Company's individual executive body, the Chairman of the Board of Directors of the Company, the Company Corporate Secretary or other person authorised to take receipt of written correspondence addressed to the Company;

fax.

- 2.2 A proposal of matters for the agenda of the annual general meeting of shareholders or a proposal nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders must contain information stipulated in Article 53 of the Federal Law 'On Joint Stock Companies'. A request for an extraordinary general meeting of shareholders must contain information stipulated in Article 55 of the Federal Law 'On Joint Stock Companies'. The relevant requirements of Article 53 of the Federal Law 'On Joint Stock Companies' shall apply to a proposal nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders that is presented as part of a request for an extraordinary general meeting of shareholders.

- 2.3 Proposals of matters for the agenda of the annual general meeting of shareholders, proposals nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders and requests for an extraordinary general meeting of shareholders will be deemed to have originated from those shareholders who have signed them (or whose representatives have signed them).

- 2.4 The proportion of voting shares belonging to a shareholder (shareholders) submitting a proposal of matters for the agenda of the annual general meeting of shareholders and/or a proposal nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders shall be determined as of the date on which the proposal is submitted.

The proportion of voting shares belonging to a shareholder (shareholders) requesting convocation of an extraordinary general meeting of shareholders shall be determined as of the date of presentation of such request.

- 2.5 If a proposal of matters for the agenda of the annual general meeting of shareholders, a proposal nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders or a request for an extraordinary general meeting of shareholders is signed by the representative of a shareholder, a power of attorney (copy thereof certified

through the established procedure) must be annexed to the request (proposal). The power of attorney must specify the details of the representative and the represented person, which pursuant to the Federal Law ‘On Joint Stock Companies’ must be indicated in a power of attorney for voting, and must be drawn up in accordance with requirements of the Federal Law ‘On Joint Stock Companies’ for documenting a power of attorney for voting.

- 2.6 If a proposal of matters for the agenda of the annual general meeting of shareholders, a proposal nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders or a request for an extraordinary general meeting of shareholders is signed by a shareholder (representative thereof) rights to the shares of which are recorded in a depository account with a depository, an extract from the shareholder’s depository account with the depository that records rights to such shares shall be annexed to the proposal (request).
- 2.7 If candidates are nominated for the Board of Directors of the Company or Internal Audit Commission, nominated candidates’ written consent and information on candidates to be provided to persons entitled to participate in the General Meeting in preparation for the General Meeting may be attached to the proposal.
- 2.8 If a proposal of matters for the agenda of the annual general meeting of shareholders or a proposal nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders is sent by mail, the date of the proposal will be the postmark date of dispatch.

If a request for an extraordinary general meeting of shareholders is sent by non-registered letter or other non-registered mail the date of presentation of such request will be the postmark date confirming the date of receipt of mail or, if a request for an extraordinary general meeting of shareholders is sent by registered letter or other registered mail – the date that the postal communication is delivered to the addressee against signature.

- 2.9 If a proposal of matters for the agenda of the annual general meeting of shareholders, a proposal nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders or a request for an extraordinary general meeting of shareholders is delivered against signature, the date of the proposal or request will be the delivery date.
- 2.10 If a proposal of matters for the agenda of the annual general meeting of shareholders, a proposal nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders or a request for an extraordinary general meeting of shareholders is sent by fax, the date of the proposal or request will be the date that the Company receives the fax transmission through the procedure provided in the second paragraph of this Clause.

A facsimile transmission containing a proposal or request must be sent to the Company’s fax number and received by the Company no later than the official end of the Company’s working day. When a fax is sent, the last name of the party sending the text, the date and time of its transmission and the last name of the addressee shall be shown on the copy of the text being transmitted. The person transmitting the text must request confirmation of receipt of the text and the addressee must confirm receipt by sending a return fax.

If the Company receives the original of a proposal or request sent by fax, the date of the proposal or request will be the date on which the Company receives the fax.

- 2.11 The Board of Directors of the Company must consider incoming proposals of matters for the agenda of the annual general meeting of shareholders or proposals nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders and adopt relevant resolutions no later than five days following the deadline for receipt of proposals established by the Company's Charter.

Proposals of matters for the agenda of the annual general meeting of shareholders or proposals nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders received after the established deadline for consideration of proposals shall also be considered by the Board of Directors through the procedure provided by effective legislation.

- 2.12 Proposals of matters for the agenda of the annual general meeting of shareholders, proposals nominating candidates for bodies of the Company to be elected by the General Meeting of Shareholders and requests for an extraordinary general meeting of shareholders received by the Company may be withdrawn by the persons that submitted the proposal or request. Such withdrawal may be done through any of the means of communication provided in Clause 2.1 herein for submitting proposals and requests. The date of receipt by the Company of the relevant postal communication, the delivery date of the withdrawal or the date of receipt by the Company of the relevant fax will be deemed the date of receipt of the withdrawal.

3. PREPARATIONS FOR THE GENERAL MEETING OF SHAREHOLDERS

- 3.1 In preparing for the General Meeting of Shareholders, the Board of Directors of the Company shall determine:

the form of the General Meeting of Shareholders;

the date, venue, and time of the General Meeting of Shareholders and the postal address to which completed ballots may be sent or, if the General Meeting of Shareholders is held in the form of *in absentia* voting, the final acceptance date for ballots and the postal address to which completed ballots should be sent;

the time at which registration of persons participating in the General Meeting of Shareholders will commence;

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

the agenda of the General Meeting of Shareholders;

the type (types) of preferred shares holders of which have the right to vote on matters on the agenda of the General Meeting of Shareholders;

the procedure for notifying shareholders of the General Meeting of Shareholders;

the list of and procedure for providing information (materials) to be provided to shareholders in preparation for the General Meeting of Shareholders;

form and text of the ballot.

- 3.2 The venue for the General Meeting of Shareholders should be the City of Moscow, the populated area in which the Company is located or another populated area on the territory of the Russian Federation where a branch or representative office of the Company is located.
- 3.3 In determining the time of the General Meeting of Shareholders the number of matters on the agenda of the Meeting must be taken into consideration. The meeting may not be held earlier than 09:00 or later than 22:00 local time.
- 3.4 In determining the time of commencement of registration of persons participating in the General Meeting of Shareholders the number of such persons included in the relevant list must be taken into consideration
- 3.5 In approving the agenda for a General Meeting of Shareholders the Board of Directors of the Company may consolidate two or more matters within the authority of the General Meeting of Shareholders into one matter on the agenda of the meeting.

Matters may be consolidated only if a resolution cannot be adopted on one of the matters without adopting resolutions on other, interrelated matters.

The following matters may not be consolidated:

matters upon which different groups of voters are to vote;

matters resolutions upon which require different numbers of votes of shareholders holding voting shares and taking part in the meeting.

4. NOTICE OF A GENERAL MEETING OF SHAREHOLDERS

- 4.1 Notice of a General Meeting of Shareholders must be given at least 20 days prior to the meeting and notice of a General Meeting of Shareholders the agenda of which includes reorganisation of the Company – at least 30 days beforehand.

If the proposed agenda for an extraordinary general meeting of shareholders includes election of the Board of Directors of the Company, notice of the extraordinary general meeting of shareholders must be given at least 50 days prior to the date of the meeting.

Notice of a General Meeting of Shareholders must be given in the form provided by effective legislation of the Russian Federation and the Company Charter through the procedures established by the Board of Directors of the Company.

- 4.2 Notice of a General Meeting of Shareholders must specify:

full company name and location of Company;

form of the General Meeting of Shareholders (meeting or *in absentia* voting);

the date, venue, and time of the General Meeting of Shareholders and the postal address to which completed ballots may be sent or, if the General Meeting of Shareholders is held in the form of *in absentia* voting, the final acceptance date for ballots and the postal address to which completed ballots should be sent;

the time at which registration of parties (representatives thereof) participating in the general meeting of shareholders will commence;

date of finalizing the list of parties entitled to participate in the general meeting of shareholders (the “record date”);

the agenda of the General Meeting of Shareholders;

procedure for confirmation of authority of representatives of persons entitled to participate in the General Meeting of Shareholders;

procedure for acquaintance with information (materials) to be provided to persons entitled to participate in the General Meeting of Shareholders in preparation for the general meeting and the address (addresses) at which such information (materials) will be made available for acquaintance (the address (location) of the Company’s individual executive body and also the addresses of other places at which information (materials) will be provided).

- 4.3 If the agenda of a General Meeting of Shareholders includes matters that might give rise to the right to demand the repurchase of the shares by the Company, the notice to shareholders of the General Meeting of Shareholders shall contain the following information, in addition to the information specified in Clause 4.2 herein:

that shareholders holding voting shares of the Company have the right to demand the repurchase of the shares belonging to them by the Company, if they have voted against the resolution or have not voted on such matters;

price and procedure for repurchase of shares.

- 4.4 Notice to shareholders of an extraordinary general meeting of shareholders the agenda of which includes election of the Board of Directors of the Company shall contain, in addition to the information specified in Clause 4.2 herein, information on the procedure and deadlines for shareholders (shareholder) holding a total of at least 2 percent of voting shares of the Company to nominate candidates for the Board of Directors of the Company.
- 4.5 In addition to information specified in Clauses 4.2-4.4 herein, notice of a General Meeting of Shareholders may contain other information on the procedure for shareholders to participate in the general meeting of shareholders.

5. QUORUM FOR THE GENERAL MEETING OF SHAREHOLDERS. REPEAT GENERAL MEETINGS OF SHAREHOLDERS.

- 5.1 The general meeting of shareholders will be competent (quorate), if shareholders holding a total of more than half the votes conferred by placed voting shares of the Company participate in it.

Shareholders registered to participate in the general meeting of shareholders and shareholders whose ballots have been received no later than 2 days before the date of the general meeting of shareholders will be deemed to have participated in the general meeting of shareholders. Shareholders whose ballots have been received by the final acceptance date for ballots will be deemed to have participated in a general meeting of shareholders held through *in absentia* voting.

- 5.2 If there is no quorum for the annual general meeting of shareholders a repeat general meeting of shareholders must be held with the same agenda. If there is no quorum for an extraordinary general meeting of shareholders a repeat general meeting of shareholders may be held with the same agenda.

A repeat general meeting of shareholders will be competent (quorate), if shareholders holding a total of at least 30 percent of votes conferred by placed voting shares of the Company participate in it.

Notice of a repeat general meeting of shareholders shall be given and ballots delivered no later than 20 days before the date of the repeat general meeting of shareholders.

Notice of a repeat general meeting of shareholders the agenda of which includes reorganisation of the Company shall be given no later than 30 days before the date of the repeat general meeting of shareholders.

If a repeat general meeting of shareholders is held less than 40 days after the non-quorate general meeting of shareholders, the persons entitled to participate in the general meeting of shareholders shall be determined according to the list of persons entitled to participate in the non-quorate general meeting of shareholders.

- 5.3 According to the results on determining quorum for matters on the agenda of the general meeting of shareholders the Registrar of the Company, in its capacity as Counting Commission, shall compile minutes on determination of the quorum, which minutes shall be signed by persons authorised by the Registrar.

If there is a quorum for the general meeting of shareholders minutes on determination of the quorum shall be compiled within 15 days after the meeting is closed or the final acceptance date for ballots, if the meeting is held through *in absentia* voting.

If there is no quorum for a general meeting of shareholders the minutes on determination of the quorum shall be compiled within 15 days after the date upon which the non-quorate meeting was to have been held or the date which was to have been the final acceptance date for ballots, if the non-quorate meeting was to have been held through *in absentia* voting.

6. GROUPS OF VOTERS AT THE GENERAL MEETING OF SHAREHOLDERS

- 6.1 If the agenda of a general meeting of shareholders includes matters upon which different groups of voters are to vote, the quorum will be determined separately for adoption of resolutions on each of those matters. If there is no quorum for adopting a resolution on matters to be voted upon by one group of voters, this will not impede adoption of a

resolution on matters to be voted upon by another group of voters for which there is a quorum.

6.2 The matters within the authority of the general meeting of shareholders for which voting groups are determined separately include:

- 1) election of members of the Internal Audit Commission and early termination of their authority;
- 2) adoption of a resolution to approve "interested party" transactions;
- 3) releasing the person that has, independently or jointly with its affiliates, acquired 30 or more percent of placed common shares of the Company from the duty to purchase shares from other Company shareholders;
- 4) reorganisation of the Company;
- 5) liquidation of the Company, appointment of the liquidation commission and approval of interim and final liquidation balance sheets;
- 6) introduction of amendments to the Company Charter that restrict the rights of shareholders holding preferred shares of a specific type, including determination or increase of the amount of dividend or determination or increase of the liquidation value payable on preferred shares of the preceding order of priority and conferring to shareholders holding preferred shares of another type of priority in payment of the dividend and (or) the liquidation value of shares.

6.3 Shareholders holding shares of the Company that are voting shares with respect to all matters within the authority of the general meeting of shareholders may vote at the general meeting of shareholders on the matter specified in sub-clause 1 of Clause 6.2 herein, with the exception of members of the Board of Directors of the Company or person holding positions in the management bodies of the Company.

Shareholders holding shares of the Company that are voting shares with respect to all matters within the authority of the general meeting of shareholders may vote at the general meeting of shareholders on the matter specified in sub-clause 2 of Clause 6.2 herein, if they are not interested in the conclusion of the transaction.

Shareholders holding shares of the Company that are voting shares with respect to all matters within the authority of the general meeting of shareholders may vote at the general meeting of shareholders on the matter specified in sub-clause 3 of Clause 6.2 herein, with the exception of a person that has alone acquired 30 or more percent of placed common shares of the Company and its affiliates.

Shareholders holding common shares of the Company and shareholders holding preferred shares of the Company of each type may vote at the general meeting of shareholders on the matters specified in sub-clauses 4 and 5 of Clause 6.2 herein.

Shareholders holding shares of the Company that are voting shares with respect to all matters within the authority of the general meeting of shareholders and shareholders holding preferred shares in the Company of each type rights conferred by which are being

restricted may vote at the general meeting of shareholders on the matters specified in sub-clause 6 of Clause 6.2 herein.

- 6.4 Groups of voters on matters on the agenda of the general meeting of shareholders shall be determined on the date of compilation of the list of parties entitled to participate in the general meeting of shareholders.
- 6.5 If the quorum for different matters on the agenda of the meeting must be determined separately, the minutes on determination of the quorum shall indicate whether there was (was not) a quorum for each such matter.

7. BODIES CREATED FOR THE GENERAL MEETING OF SHAREHOLDERS

7.1 The chairman of the general meeting of shareholders shall be the person stipulated in the Company Charter. The Chairman of the general meeting of shareholders is responsible for conducting the meeting, including:

- 1) declaration of the meeting open and closed;
- 2) announcement the persons providing information on matters on the agenda;
- 3) supervision of discussions concerning matters on the agenda;
- 4) performance of other functions as provided herein.

7.2 A Presidium of the general meeting of shareholders may be created to participate in the conduction of a general meeting of shareholders held in the form of a meeting, pursuant to a resolution of the Chairman of the meeting.

The Chairman and members of the Presidium of the meeting shall jointly conduct the general meeting of shareholders and perform the functions specified in sub-clauses 1-3 of Clause 7.1 herein.

7.3 In the absence of the person chairing at the general meeting pursuant to the Company Charter on the extraordinary general meeting of shareholders held pursuant to a resolution of bodies or persons entitled to demand an extraordinary general meeting of shareholders the meeting will be chaired by the person that adopted the resolution to hold the extraordinary general meeting of shareholders (representative thereof) or, if the resolution to hold the extraordinary general meeting of shareholders was adopted by several persons or members of a collective body, by one of those persons or members, according to a resolution adopted by them.

7.4 The Chairman shall appoint a Secretary (Secretariat) of the general meeting of shareholders to keep minutes at the general meeting of shareholders.

7.5 If the Company has appointed a Company Corporate Secretary, the Corporate Secretary shall, in its capacity as Secretary of the general meeting of shareholders, perform the following functions:

- 1) undertake all necessary measures to prepare for and hold the general meeting of shareholders in accordance with requirements of the legislation, the Charter and other

internal documents of the Company, pursuant to a resolution to hold a general meeting of shareholders adopted by the Board of Directors of the Company or other bodies or persons in accordance with requirements of the legislation and the Company Charter;

- 2) draft instructions to the Registrar of the Company to compile the list of persons entitled to participate in the general meeting of shareholders and the list of persons entitled to receive dividends on shares;
- 3) prepare materials that must be provided to the general meeting of shareholders, ensure access thereto and certify and provide copies of relevant documents upon requests from persons entitled to participate in the general meeting of shareholders;
- 4) notify all members of the management and supervisory bodies of the Company of the general meeting of shareholders;
- 5) collect completed ballots received by the Company at the addresses designated for ballots receipt and promptly transfer the ballots to the Registrar of the Company, in its capacity as Counting Commission;
- 6) answer questions from participants of the general meeting concerning the procedures of conducting the meeting or connected with the application of these Regulations or observance of requirements of effective legislation and undertake measures to settle disputes connected with the procedure for preparing for and holding the general meeting of shareholders;
- 7) organise the keeping of minutes of the general meeting of shareholders.

If the Corporate Secretary has not been appointed or is absent at the general meeting of shareholders or any stage of preparation for the meeting, the above functions will be performed by the Secretary of the meeting and/or other persons in the Company.

- 7.6 The Registrar of the Company shall act as the Counting Commission of the Company. In this capacity the Registrar of the Company shall verify the authority of and register persons participating in the general meeting of shareholders of the Company, determine whether there is a quorum for the general meeting of shareholders, clarify matters arising in connection with the exercise of voting rights at the general meeting of shareholders by shareholders (their representatives), clarify the procedure for voting on matters put to the vote, ensure that the established voting procedure and shareholders right to participate in the voting are observed, count votes and finalise the results of the voting, compile minutes on the results of voting, transfer ballots to the archive and perform other functions as provided herein.

In its capacity as Counting Commission the Registrar of the Company may:

- keep logs and any other forms of records, at its discretion;
- independently and subject to the requirements of effective legislation and herein, determine the forms for minutes to be compiled.

8. PROCEDURE FOR HOLDING THE GENERAL MEETING OF SHAREHOLDERS AND VOTING ON MATTERS ON THE AGENDA OF A GENERAL MEETING OF SHAREHOLDERS HELD IN THE FORM OF A MEETING (JOINT ATTENDANCE OF SHAREHOLDERS TO DISCUSS MATTERS ON THE AGENDA AND ADOPT RESOLUTIONS ON MATTERS PUT TO THE VOTE)

- 8.1 Persons (representatives thereof) included in the list of parties entitled to participate in the general meeting must register to participate in the general meeting, with the exception of persons (representatives thereof) whose ballots have been received no later than two days before the date of the meeting.

If the Company or the Registrar in its capacity as Counting Commission receives notice of substitution (revocation) of a representative of a person entitled to participate in the meeting before such representative has registered, the person entitled to participate (or the new representative thereof, acting on the basis of a power of attorney for voting) shall register to participate in the general meeting.

Persons (representatives thereof) entitled to participate in the general meeting of shareholders whose ballots are received no later than two days before the date of the general meeting of shareholders may attend the general meeting.

Purchasers of shares transferred after the record date (the date of finalizing the list of shareholders entitled to take part in a general meeting) shall be registered for participation in the meeting if a person entitled to take part in the meeting granted them a power of attorney to vote at the meeting.

- 8.2 A general meeting held in the form of a meeting will be opened if, by the time that the meeting commences, there is a quorum for one or more of the matters on the agenda of the general meeting. Registration of persons entitled to participate in the general meeting that have not registered to participate in the general meeting prior to the opening of the meeting shall end at the moment at which discussion of the last matter on the agenda of the general meeting for which there is a quorum is finished.

- 8.3 If, by the time the general meeting of shareholders should commence, there is no quorum for any of the matters on the agenda, the Registrar in its capacity as Counting Commission shall notify the Chairman of the general meeting of shareholders thereof. The Chairman of the meeting shall adopt a resolution to postpone the time of commencement of the general meeting of shareholders. In such an event, commencement of the general meeting of shareholders may not be postponed for more than 2 hours.

If the commencement of the general meeting of shareholders is postponed, minutes of the general meeting of shareholders shall specify the actual time at which the meeting commenced.

- 8.4 Matters shall be considered at the general meeting in the order determined in the approved agenda.

The order in which matters are considered may be changed by a resolution of the Chairman of the meeting.

- 8.5 Discussion of matters on the agenda of the general meeting of shareholders entails presentation to persons participating in the meeting of information on matters on the agenda and provision (where necessary) of clarification on matters on the agenda and information presented to such persons.

Matters on the agenda of the meeting shall be discussed through the procedure determined in Clauses 8.6-8.9 herein.

- 8.6 Information on the matter on the agenda being discussed shall be presented to the persons participating in the meeting in the form of reports (statements):

by speakers appointed by the Chairman of the meeting;

by persons (representatives thereof) participating in the meeting who have stated their intention to present additional information on matters on the agenda. Such statements must be submitted in writing to the Chairman of the general meeting of shareholders before the relevant matter on the agenda of the meeting is considered. The statement shall specify the name of the person, the wording of the matter on the agenda with regard to which information is being presented, the time necessary for the presentation and the number of votes that the person will be casting on the matter on the agenda of the meeting being discussed.

- 8.7 Each person (representative thereof) participating in the meeting may ask the Chairman of the meeting, members of the Presidium of the meeting or the person (persons) presenting information to clarify any matter on the agenda of the meeting or presented information relating to matters on the agenda. Such a request must be submitted in writing to the Chairman of the general meeting of shareholders before the next matter on the agenda of the meeting is considered, specifying the name of the person participating in the meeting and the number of votes that the person will be casting on the matter on the agenda of the meeting being discussed.

Each request duly documented must be considered in the course of the meeting.

If the Chairman of the meeting, a member of the Presidium of the meeting or the person (persons) presenting information considers it impossible to provide thorough clarification immediately or the person (representative thereof) participating in the meeting requests written clarifications on the matter of interest to it, written clarification must be presented to the person requesting such clarifications within 10 days following the closure of the general meeting of shareholders. Written clarification may be provided only if the request has been duly documented according to the first paragraph of this Clause.

- 8.8 The time for presenting reports (statements) on matters on the agenda of the meeting and for providing clarification in response to requests received shall be determined by the Chairman of the meeting. And with regard to the above:

– at least 10 minutes and no more than 45 minutes shall be allocated for presentations of a speaker appointed by the Chairman of the meeting;

- at least 5 minutes shall be allocated for presentation by a person (representative) participating in the meeting of additional information on a matter on the agenda;
- at least 10 minutes shall be allocated for clarifications in response to a submitted request.

Persons presenting reports (statements) or information are not required to use the time allocated by the Chairman of the meeting in full.

The Chairman of the meeting may not comment upon presentations or interrupt the person presenting such, unless the person presenting such breaches the procedure for holding the meeting as determined herein.

- 8.9 The Chairman of the meeting shall decide upon the necessity of having breaks during the general meeting of shareholders and duration of such breaks.

Breaks in the general meeting of shareholders may not be announced in the course of discussion of a matter on the agenda.

- 8.10 Persons (representatives thereof) registered to participate in the general meeting of shareholders shall be given the opportunity to vote on matters on the agenda of the meeting at any time after the commencement of the meeting until the expiration of the voting period determined according to Clause 8.11 herein and the counting of votes on matters on the agenda of the meeting commences.

- 8.11 After the last matter on the agenda of the general meeting of shareholders for which there is a quorum has been discussed the Chairman of the meeting shall allocate additionally at least 30 minutes for voting on matters on the agenda of the meeting.

- 8.12 The results of voting and resolutions adopted by the general meeting may be:

1) announced at the general meeting of shareholders;

or

2) provided to persons entitled to participate in the meeting through the established procedure.

- 8.13 The general meeting of shareholders shall be closed:

1) when all resolutions adopted during the meeting and the results of voting have been announced, in the case provided in sub-clause 1 of Clause 8.12 herein;

or

2) upon expiry of the allocated period for on matters on the agenda according to Clause 8.11 of these Regulations, in the case provided in sub-clause 2 of Clause 8.12 herein.

A general meeting at the opening of which there were only a quorum for some of the matters on the agenda may not be closed if, at the end of the registration, such a number of persons has registered that ensures a quorum for adoption of resolutions on other matters on the agenda of the general meeting.

9. BALLOTS FOR VOTING AT THE GENERAL MEETING OF SHAREHOLDERS

9.1 Voting on matters on the agenda of a general meeting of shareholders must only be conducted using ballots.

A ballot must be sent or delivered against signature to each person included in the list of persons entitled to participate in the general meeting of shareholders no later than 20 days before the general meeting of shareholders. Ballots shall be sent by registered post.

Only ballots with a repeat issue mark may be issued to persons registering to participate in a general meeting held in the form of a meeting whose ballots have not been received by the Company or have been received later than 2 days before the meeting upon their request.

If when conducting the general meeting of shareholders held in the form of a meeting, the Company or the Registrar in its capacity as Counting Commission has received notice of substitution (revocation) of a representative from a person entitled to participate in the general meeting of shareholders before registration of the representative whose authority has been terminated, ballots must be issued to the person entitled to participate in the general meeting of shareholders (or the new representative thereof, acting on the basis of a power of attorney for voting).

In the event of a general meeting of shareholders held in the form of a meeting by presence, purchasers of shares transferred after the record date (the date of finalizing the list of shareholders entitled to take part in a general meeting) registered for participation in the meeting shall be given ballots if with respect to these shares a person entitled to take part in the meeting granted a power of attorney for voting at the meeting to the said purchasers.

In the event of a general meeting of shareholders held in the form of *in absentia* voting ballots shall be given to purchasers of shares transferred after the record date (the date of finalizing the list of shareholders entitled to take part in a general meeting) if with respect to these shares a person entitled to take part in the meeting granted powers of attorney to vote at the meeting to the said purchasers, and only if the purchasers applied:

- to the Company, if the Company itself distributes (hands out) ballots; or
- to the Company's Registrar, if it distributes (hands out) ballots according to a contract concluded with the Company.

9.2 The ballots must specify:

- 1) the full company name and location of the Company;
- 2) the form of the meeting of shareholders (meeting or *in absentia* voting);
- 3) the date, venue, and time of the general meeting of shareholders and the postal address to which completed ballots should be sent or, if the general meeting of

shareholders is held in the form of *in absentia* voting, the final acceptance date for ballots and the postal address to which completed ballots should be sent;

- 4) wording of resolutions on each matter (name of each candidate) to be voted upon using such ballots;
- 5) voting options on each matter on the agenda with the wording "for", "against" or "abstained" and fields opposite each of the voting options to be filled in with the number of votes cast for each of the options, and, if ballots are used in cumulative voting to elect members of the board of directors, a field next to the name of each candidate where the person participating in the general meeting can specify the number of votes it is casting for each candidate it has selected the "for" voting option;

clarification that a fractional part of the vote arrived at by multiplying the number of votes belonging to a shareholder – owner of a fractional share by the number of people to be elected to the Board of Directors, can be cast only for one candidate;

indication that the Board of Directors of the Company is elected by cumulative voting and clarifications on the cumulative voting process;

- 6) reminder that the ballot must be signed by the shareholder;
- 7) clarifications that:

a voter is entitled to choose only one voting option except cases where voting is pursuant to directions of persons who acquired shares after the record date or owners of depositary securities;

if more than one option is left in the ballot paper the fields containing the number of votes cast for each of the voting options shall feature the number of votes cast for the option, and a note shall be made specifying that voting was pursuant to the directions of purchasers of shares transferred after the record date and/or pursuant to the instructions of owners of depositary securities;

a voter voting according to the power of attorney issued with respect of shares transferred after the record date, shall put in the field containing the number of votes cast for the option left in the ballot paper, the number of votes cast for the option left, making a note that voting was pursuant to a power of attorney granted with respect of shares transferred after the record date;

if after the record date to finalize the list of shareholders entitled to take part in a meeting, a part of shares was transferred and the purchaser of such shares was granted a power of attorney for voting or the voter received specific voting instructions from the purchaser of such shares the voter shall put in the field opposite the left option and assigned for the number of votes cast for it the number of votes cast for this option and make a note specifying that a part of shares was transferred after the record date. If the purchasers of shares transferred after the record date issued voting instructions with respect of such

shares going in line with the voting option left in the ballot paper, such votes shall be added up.

other information as provided by effective legislation.

The ballot may specify, in addition to the above:

- 1) the wording of each matter put to the vote and the order in which it will be considered;
- 2) method of marking the selected voting option;
- 3) the full name of the person entitled to participate in the general meeting of shareholders;
- 4) the number of votes that the person entitled to participate in the general meeting of shareholders may cast on each matter on the agenda of the meeting;
- 5) fields to be filled by persons specifying the number of votes cast for the left option(s), note(s) on each of the situations:
 - voting is pursuant to directions of purchasers of shares transferred after the record date;
 - voting is pursuant to instructions of owners of depositary securities;
 - voting is according to a power of attorney issued with respect of shares transferred after the record date;
 - a part of shares was transferred after the record date;

other information, to be determined by the Board of Directors of the Company.

The ballot paper must not contain two or more matters on the agenda of the general meeting of shareholders if different groups of voters are to vote on such matters.

9.3 The following will be declared invalid:

- 1) ballots in which the voter has selected more than one voting option except situations where voting is pursuant to instructions of purchasers who acquired shares after the record date, or according to instructions of depositary securities owners;
- 2) ballots received by the Company signed by a representative acting on the basis of a power of attorney for voting, if the Company or Registrar in its capacity as Counting Commission received notice of substitution (revocation) of that representative no later than 2 days before the date of the general meeting;
- 3) there are two or more completed ballots of one person, on which different voting options on the same matter on the agenda of the general meeting are marked, except situations where the ballot papers are signed by a person who issued a power of attorney for voting by shares transferred after the record date and/or by persons acting on the basis of such power of attorney, and the ballot papers in the field assigned for putting the number of votes cast for each voting option contain the number of votes

cast for the corresponding voting option and relevant notes according to Clause 9.2 herein;

- 4) a ballot for voting on election of members of the Internal Audit Commission contains votes "for" with respect to a number of candidates greater than there are members in the Internal Audit Commission, except situations where the ballots are signed by a person voting by shares transferred after the record date pursuant to instructions received from purchasers of such shares and/or by a person voting by shares outstanding beyond the Russian Federation in the form of depositary securities, according to instructions received from owners of depositary securities, and the ballots should contain relevant notes as set out by Clause 9.2 herein.

9.4 If a ballot containing several matters put to the vote is declared invalid in respect of one or several matters this will not render the ballot invalid in whole.

9.5 Votes represented by a ballot that has been declared invalid in respect of one, several or all matters voted upon in the ballot will not be counted in determining the results of voting on those matters with respect to which the ballot paper is declared invalid.

Rendering of a ballot invalid in the part of voting on one, several or all matters voted upon using such ballot will not be excluded in determining whether there is a quorum.

10. EXPENSES FOR PREPARING FOR AND HOLDING THE GENERAL MEETING OF SHAREHOLDERS

10.1 The list of expenses for preparing for and holding an annual general meeting of shareholders or an extraordinary general meeting of shareholders held pursuant to a resolution of the Board of Directors, adopted at its own initiative or pursuant to a request from the Internal Audit Commission of the Company, the Company's auditor or shareholders (a shareholder) holding a total of at least 10 percent of voting shares of the Company as of the date the request is presented shall be compiled and approved by the Management Board of the Company.

10.2 If the Board of Directors of the Company does not adopt a resolution within an established deadline to convene an extraordinary general meeting of shareholders or adopts a resolution to refuse to convene such a meeting and the extraordinary general meeting of shareholders is convened by the bodies or persons requesting an extraordinary general meeting of shareholders and the general meeting of shareholders adopts a resolution for the Company to reimburse expenses for preparing for and holding the general meeting of shareholders, reimbursed will be only documented expenses incurred by the bodies or persons authorised to convene and hold an extraordinary general meeting of shareholders.

11. PROCEDURE FOR APPROVAL OF THE REGULATIONS AND INTRODUCTION OF AMENDMENTS THERETO

11.1 These Regulations shall be approved by the general meeting of shareholders by a majority of votes of shareholders holding voting shares of the Company.

- 11.2 These Regulations may be supplemented or amended by the general meeting of shareholders by a majority of votes of shareholders holding voting shares of the Company.
- 11.3 If individual clauses herein will become inconsistent with legislation of the Russian Federation or the Company Charter pursuant to the introduction of amendments thereto, these Regulations shall apply in that part consistent with effective legislation or the Company Charter.