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APPROVED BY:  
Resolution of Annual General Meeting of Shareholders of OJSC  
LSR Group  
of “\_\_” \_\_\_\_\_ 2015 (Minutes No. \_\_\_\_\_)

# **By-laws of the General Meeting of Shareholders**

**Public Joint Stock Company  
LSR Group**

(New revision)

**Saint Petersburg, 2015**

## 1. GENERAL PROVISIONS

These By-laws on the holding of General Shareholder Meetings of the PJSC LSR Group (hereinafter – By-laws) were developed

1.1. In accordance with the requirements of the legislation of the Russian Federation (RF), by-laws of PJSC LSR Group (hereinafter - Company) charter, listing rules of Stock Exchanges where Company's bonds are quoted, Corporate Code of Management recommended by the Bank of Russia.

1.2. The By-laws set out the procedure for convening, holding and summarising the results of General Meeting of Shareholders (hereinafter – General Meeting) of the Company.

Any matters relating to the convening, preparation and holding of General Meeting that were not settled by the aforesaid regulations will be resolved proceeding from the need to ensure the rights and interests of shareholders of the Company (hereinafter - shareholders).

The Company will ensure equal opportunities to attend the General Meeting for all shareholders.

## 2. ANNUAL GENERAL MEETING

### 2.1. Time-limits of Annual General Meeting

2.1.1. The Company shall hold its Annual General Meeting annually.

2.1.2. Annual General Meeting shall be held in the form of a meeting (joint presence of shareholders for discussion of agenda's matters and decision making on matters put to vote without preliminary submission (handing in) of voting ballots prior to General Meeting or with preliminary submission (handing in) of voting ballots prior to General Meeting).

2.1.3. Annual General Meeting shall be held no earlier than 2 (two) months and no later than 6 (six) months after the end of the financial year.

The financial year shall be the period from January 1 through December 31 of the current calendar year.

### 2.2. Matters to be resolved upon by the Annual General Meeting

2.2.1. The General Meeting shall, in a mandatory manner, resolve upon the following matters:

- approval of annual reports of the Company;
- approval of annual accounting (financial) statements;
- approval of Company's profit and losses distribution including dividend payment/declaration according to the results of the financial year;
- election of the Board of Directors of the Company (hereinafter – Board of Directors);
- election of the Check-up Committee (Inspector) of the Company (hereinafter – Check-up Committee, Inspector);
- approval of the Auditor of the Company.

2.2.2. The Annual General Meeting may resolve upon other matters referred to the competence of the General Meeting, if they were included in the Meeting agenda in accordance with the procedure established by law and the Charter of the Company (hereinafter - Charter).

## 3. MOTIONS TO INCLUDE ITEMS IN THE AGENDA OF THE ANNUAL GENERAL MEETING. MOTIONS ON NOMINATIONS TO COMPANY BODIES TO BE ELECTED BY ANNUAL GENERAL MEETING

### 3.1. Inclusion of items in the agenda of the Annual General Meeting and nominations to Company bodies to be elected by the Annual General Meeting

3.1.1. Shareholder(s) holding at least 2 (two) percent of Company's voting shares, that provide right to vote on competence matters of General Meeting of Shareholders (hereinafter – voting shares), may propose items to be included in the agenda of the Annual General Meeting.

3.1.2. Shareholder(s) holding at least 2 (two) percent of Company's voting shares may nominate candidates to the Company's Board of Directors and Check-up Committee (Inspectors) whose number may not exceed the number of members of the body concerned.

3.1.3. Proposals on introduction of matters to the agenda, as well as motions to nominate candidates to management bodies and other bodies of the Company (hereinafter – proposals to agenda) of the Annual General Meeting shall be received by the Company no later than sixty (60) days after the end of the financial year.

3.1.4. The number of voting shares held by the shareholder signing a motion to include items in the agenda of the Annual General Meeting and a motion to nominate candidates to Company bodies shall be determined as of the date of motion to Company.

The Board of Directors, at its own initiative, shall receive data from the Registered Securities Register regarding the number of shares of the corresponding category/type held by the shareholder signing a proposal for the agenda of the Annual General Meeting

The shareholder submitting a proposal for the agenda of the Annual General Meeting shall specify the number of shares held by him/her and submit to Company a depot account statement in the corresponding depository if holding the shares as a nominal holder, to attest the holding of the corresponding number of voting shares of the Company as of the date of motion.

3.1.5. The total number of voting shares of the Company shall be determined as of the date of inclusion of each motion in the agenda of the Annual General Meeting.

The relevant portion (percentage) of voting shares of the Company held by the shareholders signing the motions, out of the total number of voting shares of the Company shall be determined as of the date of each motion.

3.1.6. The proposal of a shareholder or shareholders for the agenda of the Annual General Meeting shall be made in writing. Verbal motions shall not be accepted or considered.

3.1.7. The proposal for the agenda of the Annual General Meeting shall be signed by the shareholders making the motion.

If the proposal for the agenda of the Annual General Meeting specifies that it is made by several shareholders but the same is signed only by some of them, it shall be deemed as made by the shareholder(s) signing it.

If the proposal for the agenda of the Annual General Meeting is signed by shareholder's proxy, the motion shall be accompanied by a power of attorney to perform the corresponding actions or other documents certifying the proxy's right to act on shareholder's behalf. In the event that the power of attorney was delegated, in addition to the same or its copy, the power of attorney based on which the powers were delegated, or its notary-certified copy shall be submitted.

Other documents certifying the proxy's right to act on shareholder's behalf include the document attesting the proxy's powers based on legal instructions or a statement of a duly authorised government or local self-government body.

The powers of attorney shall be executed in conformity with the requirements of the RF Civil Code. In the event that a copy of power of attorney is submitted, it should be certified by notary.

3.1.8. The proposal for the agenda of the Annual General Meeting shall contain data on the number and category/type of shares held by each shareholder making the motion.

If the motion to include items in the agenda of the Annual General Meeting contains incorrect data on the number and category/type of shares held by the shareholder signing the motion, and the Board of Directors established that the shareholders who signed the motion, held an aggregate of at least 2 (two) percent of Company's voting shares, as of the motion date, the item shall be included in the agenda of the Annual General Meeting.

If the motion to nominate candidates to Company bodies contains incorrect data on the number and category/type of shares held by the shareholder signing the motion, and the Board of Directors established that the shareholders who signed the motion, held an aggregate of at least 2 (two) percent of Company's voting shares, as of the motion date, the nominee shall be included for voting in the nominees' list of the corresponding body of the Company.

### **3.2. Special requirements for motions to include items in the agenda of the Annual General Meeting**

3.2.1. A written motion to include items in the agenda of the Annual General Meeting should contain the wording of each proposed item, and may contain the wording of resolution on each proposed item.

3.2.2. Each motion to include items in the agenda of the Annual General Meeting shall be reviewed by the Board of Directors separately. The votes of shareholders signing different motions to include items in the agenda of the Annual General Meeting shall not be summed up.

Shareholders shall be deemed as making a joint motion to include an item in the agenda of the Annual General Meeting, if they sign one such motion.

To include an item in the agenda of the Annual General Meeting, at least one motion on inclusion of an item in the agenda of the Annual General Meeting should be signed by shareholders holding the number of voting shares of the Company required by the Federal law On Joint Stock Companies.

3.2.3. The Board of Directors may not amend the wordings of items proposed by shareholders for inclusion in the agenda of the Annual General Meeting, or the wordings of resolutions on such items.

The Board of Directors may, at its own initiative, propose additional wordings of resolutions on items proposed by shareholders for inclusion in the agenda of the Annual General Meeting.

### **3.3. Special requirements for motions to nominate candidates to Company bodies for election by the Annual General Meeting**

3.3.1. The number of candidates nominated in one motion to nominate candidates to Company bodies may not exceed the number of members of the body concerned.

If a motion specifies a number exceeding the number of members of the Company's body concerned, the number of candidates to be considered shall correspond to the number of members of such body. In that case, priority of consideration shall be given to the nominees on the basis of specified first in the motion to nominate candidates to Company bodies.

3.3.2. The motion to nominate candidates shall contain the name of the body to which the nominee is proposed, nominee's ID data (series and/or number of document, date and place of its issuance, issuer's name), year of birth, educational background (specifying the education institution completed), information regarding positions held including the management bodies of other legal entities for the last 5 (five) years. The motion to nominate candidates to Company's bodies should have attached a written consent of the nominees.

3.3.3. Each motion to include a nominee for election to Company bodies shall be considered by the Board of Directors separately. The votes of shareholders signing different motions to include nominees for election to Company bodies shall not be summed up.

Shareholders shall be deemed as making a joint motion to include a nominee for election to Company bodies, if they sign one such motion.

To include a nominee in the list of nominees for election to Company bodies, at least one motion to nominate such candidate should be signed by shareholders holding the number of voting shares of the Company required by the Federal law On Joint Stock Companies.

If the name of a nominee is specified in one or more motions to include nominees in a body of the Company, he/she shall be deemed nominated to one position in the body concerned and shall be included in the nominees' list for election to the aforesaid body only once.

### **3.4. Approval of nominees' lists for election to Company bodies and the items included in the agenda of the Annual General Meeting**

3.4.1. The Board of Directors shall consider the proposals submitted and pass a resolution to include them in the agenda of the Annual General Meeting or to refuse to include them in the aforesaid agenda within 5 (five) days from the expiry of the deadline stipulated by the Charter for submission to the Company of motions to include items in the agenda of the Annual General Meeting of Shareholders and motions to nominate candidates to Company bodies. The item proposed by shareholder(s) shall be included in the agenda of the Annual General Meeting as well the candidates nominated shall be included in the list of nominees for election to the corresponding body of the Company unless:

— shareholder(s) did not comply with the timeline prescribed by the Charter for submission of motions to include items in the agenda of the Annual General Meeting and motions to nominate candidates to Company's bodies;

— shareholder(s) signing a motion to include items in the agenda of the Annual General Meeting or to nominate candidates to the Board of Directors, do not hold the number of voting shares of the Company as provided for in Para. 1, Article 53 of the Federal Law on Joint Stock Companies;

— the motion does not meet the requirements provided for in Paras. 3 and 4, Article 53 of the Federal Law on Joint Stock Companies and the Charter provisions based on the aforesaid requirements;

— the item proposed for inclusion in the agenda of the Annual General Meeting of the Company is not attributed to its competence by the Federal Law on Joint Stock Companies and the Charter and/or does not meet the requirements of the Federal Law on Joint Stock Companies and other statutory regulations of the RF. In particular, in accordance with the Federal Law on Joint Stock Companies and the Charter this matter may be considered by the General Meeting only at the request of the Board of Directors and/or it may be considered by

the General Meeting only if no unanimous resolution was preliminarily passed by the Board of Directors on the above matter.

3.4.2. A motivated decision of the Board of Directors to refuse to include the proposed item in the agenda of the Annual General Meeting or the nominee in the nominees' list for election to the corresponding body of the Company shall be circulated to the shareholder(s) that made the motion within 3 (three) days of such decision.

A motivated decision of the Board of Directors on refusal to include the proposed item in the agenda of the Annual General Meeting or the nominee in the nominees' list for election to the corresponding body of the Company due to the fact that the shareholder(s) signing the motion do not hold the number of voting shares of the Company as prescribed by Para. 1. Article 53 of the Federal Law on Joint Stock Companies, shall be accompanied by an affidavit in writing.

3.4.3. The decision of the Board of Directors to refuse to include an item in the agenda of the Annual General Meeting or a nominee in the nominees' list for election to the corresponding body of the Company as well as the evasion of the Board of Directors from decision-making may be challenged in court.

Evasion of the Board of Directors from adopting a decision on inclusion of the proposed item in the agenda of the Annual General Meeting or inclusion of a nominee in the nominees' list for election to the corresponding body of the Company, shall be constituted in particular by:

- failure to conduct a meeting of the Board of Directors within 5 (five) days after the expiry date for proposing items in the agenda of the of Annual General Meeting and the list of nominees to the bodies of the Company;
- holding of a meeting of the Board of Directors without passing a resolution;
- other inactivity of the Board of Directors resulting in failure to pass the aforesaid resolution;
- failure to make available to a shareholder copies of a resolution (minutes, extract of the minutes) of the Board of Directors;
- passing of a resolution with a wording allowing for ambiguous interpretation.

### **3.5. Inclusion of items in the agenda of the Annual General Meeting at the initiative of the Board of Directors**

3.5.1. In addition to the items proposed by shareholders for inclusion in the agenda of the Annual General Meeting and also in the absence of such motions, the Board of Directors may include in the agenda of the Annual General Meeting items and options of resolution thereon, at its discretion.

3.5.2. The agenda of the Annual General Meeting may not be amended after serving notice of the Annual General Meeting to the shareholders in the manner prescribed by the Charter.

## **4. EXTRAORDINARY GENERAL MEETING**

### **4.1. Convening of an extraordinary General Meeting**

4.1.1. Extraordinary General Meeting (held in addition to Annual General Meeting of Shareholders) shall be held by resolution of the Board of Directors pursuant to its own initiative, request of the Check-up Committee (Inspector), Auditor of the Company, and also the shareholder(s) holding at least 10 (ten) percent of voting shares of the Company as of the date of lodging the request.

4.1.2. The number of voting shares of the Company held by the shareholder signing the request to convene an extraordinary General Meeting, and the total number of voting shares of the Company shall be determined as of the date of lodging the request.

The relative portion (percentage) of voting shares of the Company held by the shareholder(s) signing the request to convene an extraordinary General Meeting, out of the total number of voting shares of the Company shall be determined as of the date of lodging the request to convene an extraordinary General Meeting.

The Board of Directors, at its own initiative, shall obtain information from the Registered Securities Register regarding the number of shares of relevant category/type held by each shareholder signing the request to convene an extraordinary General Meeting.

If any shares of the shareholder or shareholders signing the request to convene an extraordinary General Meeting were transferred to a nominal holder the shareholder(s) shall submit to the Company a depot account statement in the corresponding depository confirming his/her/their holding of the corresponding number of voting shares of the Company, as of the date of lodging the request.

4.1.3. The convening of an extraordinary General Meeting at the request of the Check-up Committee (Inspector), its Auditor or its shareholder(s) holding at least 10 (ten) percent of voting shares of the Company, shall be carried out by the Board of Directors.

#### **4.2. Time-limits for convening an extraordinary General Meeting**

4.2.1. The time-limits for convening an extraordinary General Meeting shall be set in the Charter and in accordance with the Federal Law on Joint Stock Companies.

#### **4.3. Content and form of the request to convene an extraordinary General Meeting**

4.3.1. The request to convene an extraordinary General Meeting should specify the items to be included in the extraordinary General Meeting agenda.

The request to convene an extraordinary General Meeting may contain wordings of resolutions on each of such items as well as the proposal on the form of extraordinary General Meeting. In the event that the request to convene an extraordinary General Meeting contains a motion to nominate candidates to Company bodies, the relevant provisions of Article 53 of the Federal Law on Joint Stock Companies, the Charter and internal document shall apply.

The Board of Directors may not amend the wordings of agenda items, the wordings of resolutions on such items or change the proposed form of extraordinary General Meeting convened at the request of the Check-up Committee (Inspector), its Auditor or its shareholder(s) holding at least 10 (ten) percent of voting shares of the Company.

4.3.2. In the event that the request to convene an extraordinary General Meeting is made by shareholder(s), it should contain the names/descriptions of shareholder(s) requesting the convening of such meeting, and the details regarding the number and category/type of the shares held by the same.

4.3.3. The request to convene an extraordinary General Meeting shall be signed by the person(s) requesting the convening of an extraordinary General Meeting.

If the request to convene an extraordinary General Meeting specifies that it is made by several persons but the request is signed by only some of them, it is deemed as made by the persons who signed it.

4.3.4. If the request is signed by shareholder's proxy, it shall be accompanied by a power of attorney to perform the corresponding actions or other documents certifying the proxy's right to act on shareholder's behalf. In the event that the power of attorney was delegated, in addition to the same or its copy, the power of attorney based on which the powers were delegated, or its notary-certified copy shall be submitted.

Other documents certifying the proxy's right to act on shareholder's behalf include the document confirming the proxy's powers based on legal instructions or a statement of a duly authorised government or local self-government body.

The powers of attorney shall be executed in conformity with the requirements of the RF Civil Code. In the event that a copy of power of attorney is submitted, it should be notarised.

#### **4.4. Consideration of request to convene an extraordinary General Meeting**

4.4.1. Within 5 (five) days from the date of lodging the request of the Check-up Committee (Inspector), its Auditor or its shareholder(s) holding at least 10 (ten) percent of voting shares of the Company to convene an extraordinary General Meeting, the Board of Directors should adopt the decision to convene an extraordinary General Meeting, or refuse to convene it.

4.4.2. Resolution to refuse to convene an extraordinary General Meeting at the request of the Check-up Committee (Inspector), its Auditor or its shareholder(s) holding at least ten (10) percent of voting shares of the Company may be passed if:

- there was incompliance with the procedure for lodging a request to convene an extraordinary General Meeting as stipulated in the Federal Law on Joint Stock Companies;
- the shareholder(s) signing the request to convene an extraordinary General Meeting do not hold 10 (ten) percent of voting shares of the Company as of the date of lodging the request;
- none of the items proposed for inclusion in the agenda of an extraordinary General Meeting is referred to its competence and/or does not comply with the requirements of the Federal Law on Joint Stock Companies and other statutory regulations of the RF.

4.4.3. The decision of the Board of Directors to convene an extraordinary General Meeting or a motivated decision to refuse to convene it shall be circulated to the persons requesting its convening within 3 (three) days of its adoption.

4.4.4. In the event that the Board of Directors fails to adopt the decision to convene an extraordinary General Meeting within the time limits prescribed by the Federal law On Joint Stock Companies, or adopts the decision to refuse to convene it, the Company's body, or persons requesting its convening may go to law

demanding the Company be compelled to conduct an extraordinary General Meeting. Upon that, the Company's body and the person that conduct the extraordinary General Meeting pursuant to court's judgment will have all the powers prescribed by law and necessary to convene and conduct such General Meeting.

In the event that in accordance with the court decision the extraordinary General Meeting is conducted by the plaintiff, the expenses incurred in preparing for and holding such General Meeting may be reimbursed by decision of the General Meeting from the Company's funds.

#### **4.5. Motions to nominate candidates for election to the Company bodies by an extraordinary General Meeting**

4.5.1. In the event that the proposed agenda of an extraordinary General Meeting contains an item regarding election of the Board of Directors to be elected by cumulative voting, then regardless of who initiated an extraordinary General Meeting with such agenda, the shareholder(s) of the Company holding at least 2 (two) percent of voting companies of the Company, may nominate candidates for election to the Board of Directors, whose number may not exceed the number of members of the Board of Directors.

Such motions should be submitted to the Company at least 30 (thirty) days before the date of the extraordinary General Meeting.

4.5.2. Motions to nominate candidates are made in writing. Verbal motions shall not be accepted and considered.

4.5.3. The motion to nominate a candidate shall be signed by the shareholder(s) making it.

If the motion to nominate candidates specifies that it is made by several persons but is signed by only some of them, it is deemed as made by the shareholder(s) who signed it.

4.5.4. If the motion to nominate candidates is signed by shareholder's proxy, the motion shall be accompanied by a power of attorney to perform the corresponding actions or other documents certifying the proxy's right to act on shareholder's behalf. In the event that the power of attorney was delegated, in addition to the same or its copy, the power of attorney based on which the powers were delegated, or its notarised copy shall be submitted.

Other documents certifying the proxy's right to act on shareholder's behalf include the documents confirming the proxy's powers based on legal instructions or a statement of a duly authorised government or local self-government body.

The powers of attorney shall be executed in conformity with the requirements of the RF Civil Code. In the event that a copy of power of attorney is submitted, it should be notarised.

4.5.5. The motion to nominate candidates should contain data on the number and category/type of shares owned by each shareholder who signed the motion.

The number of voting shares of the Company held by the shareholder signing the motion to nominate candidates to the Board of Directors and the total number of voting shares of the Company shall be determined as of the date of lodging the motion to the Company.

The relative portion (percentage) of voting shares of the Company held by the shareholder(s) signing the motion to nominate candidates to the Board of Directors, out of the total number of voting shares of the Company shall be determined as of the date of lodging the motion to the Company.

The Board of Directors, at its own initiative, shall obtain information from the Registered Securities Register regarding the number of shares of relevant category/type held by each shareholder signing the motion to nominate candidates to the Board of Directors.

If any shares of the shareholder(s) signing the motion to nominate candidates to the Board of Directors were transferred to a nominal holder, the shareholder(s) shall submit to the Company a depot account statement in the corresponding depository confirming his/her/their holding of the corresponding number of voting shares of the Company, as of the date of lodging the motion to the Company.

4.5.6. If a motion to nominate candidates specifies a number of candidates exceeding the number of members of the Company's body concerned, the number of candidates to be considered shall correspond to the number of members of such body. In that case, priority of consideration shall be given to the nominees on the basis of specified first in the motion to nominate candidates.

4.5.7. The motion to nominate candidates for election by an extraordinary General Meeting should contain the name of the body to which the nominee is proposed, nominee's ID data (series and/or number of document, date and place of its issuance, issuer's name), year of birth, educational background (specifying the education institution completed), information regarding positions held including the management bodies of other

legal entities for the last 5 (five) years. The motion to nominate candidates to Company's bodies should have attached a written consent of the nominees.

4.5.8. Each motion to nominate candidates shall be considered by the Board of Directors separately. The votes of shareholders signing different motions to include nominees shall not be summed up.

Shareholders shall be deemed as making a joint motion to nominate candidates, if they sign one such motion.

To include a nominee in the list of nominees, at least one motion to nominate such candidate should be signed by shareholders holding the number of Company's voting shares required by law.

If the name of a nominee is specified in one or more motions to nominate candidates, he/she shall be deemed nominated to one position in the body concerned and included in the nominees' list for election only once.

#### **4.6. Approval of nominees' lists for election of bodies by an extraordinary General Meeting**

4.6.1. The Board of Directors shall consider the motions received and adopt the decision to include nominees in the nominees' list for election to deny such inclusion no later than within 5 (five) days after the expiry of the date stipulated in the Charter for receiving shareholders motions on nominations by Company.

The candidates nominated should be included in the nominees' list unless:

- shareholder(s) did not comply with the timeline prescribed by the Charter for the nomination of candidates for election by an extraordinary Annual General Meeting;
- shareholder(s) signing the motion do not hold the number of voting shares of the Company as provided for in Para. 1, Article 53 of the Federal Law on Joint Stock Companies;
- the motion does not meet the requirements provided for in Paras. 3 and 4, Article 53 of the Federal Law on Joint Stock Companies and the Charter.

4.6.2. A motivated decision of the Board of Directors to refuse to include a nominee in the nominees' list for election shall be circulated to the shareholder(s) making the nomination no later than 3 (three) days from adopting such decision.

4.6.3. The decision of the Board of Directors to refuse to include a nominee in the nominees' list for election as well as evasion of the Board of Directors from taking a decision may be challenged in court.

### **5. PREPARATION FOR GENERAL MEETING**

#### **5.1. Preparation for the Annual General Meeting**

5.1.1. To prepare for the Annual General Meeting, the Board of Directors shall set out:

- form, date, place and time of General Meeting;
- date of preparation of the list of persons entitled to attend the General Meeting;
- agenda of the General Meeting;
- procedure for issuing notice to shareholders regarding the General Meeting;
- list of information (materials) to be furnished to the shareholders in preparation for the General Meeting, and the procedure of such provision;
- form and text of the voting ballot.
- postal address to which completed voting ballots may be sent.

5.1.2. The Board of Directors may set out the aforesaid data both at the time of taking decision to hold the Annual Meeting and at any other time when preparing for the meeting.

#### **5.2. Preparation for an extraordinary General Meeting**

5.2.1. To prepare for an extraordinary General Meeting, the Board of Directors shall set out:

- form of extraordinary General Meeting (if the form was not set out by the initiators of convening of an extraordinary General Meeting);
- date, place and time of General Meeting;
- date of preparation of the list of persons entitled to attend the General Meeting;
- agenda of the General Meeting;
- procedure for issuing notice to shareholders regarding the General Meeting;
- list of information (materials) to be furnished to the shareholders in preparation for the General Meeting, and the procedure of such provision;
- form and text of the voting ballot.
- postal address to which completed voting ballots may be sent.



5.2.2. In the event that an extraordinary General Meeting is held in absentia (form of General Meeting when shareholders vote on General Meeting agenda's matters separately, the form excludes joint presence of shareholders for discussion of voting matters and decision making), the Board of Directors shall additionally approve the ballot submission date.

The Board of Directors may not amend the wordings of agenda items and resolutions on such items proposed by the initiators of the extraordinary Meeting.

The Board of Directors may include items in the agenda and propose wordings of agenda items at its own initiative.

The Board of Directors may set out the aforesaid data both at the time of taking decision to hold the General Meeting and at any other time when preparing for the meeting.

### **5.3. Nomination of candidates to Company bodies at the initiative of the Board of Directors for election by annual and extraordinary General Meetings**

5.3.1. In case of absence or lack of candidates nominated by shareholders to set up the corresponding body of the Company, the Board of Directors may nominate candidates whose number may not exceed the number of members of the body concerned, to the nominees' list at its own discretion.

5.3.2. The number of nominees for setting up a Company body shall be considered insufficient if:

No motions to nominate candidates to a Company body were received by the Company within the established time limit.

Motions to nominate candidates to a Company body were received within the established time limit but the number of nominees included in the nominees list for election to the Company body based on such motions was less than the number of members of the body.

The nominees included in the nominees' list for election to the Company body withdrew their names and notified the Company to the effect in writing, and the number of nominees to be included in the nominees list for election to the Company body is less than the number of members of the body.

5.3.3. The Board of Directors should obtain a written consent of the nominees proposed by it for electing the Board of Directors and verify the accuracy of nominees' data to be furnished in accordance with the Charter and these By-laws.

5.4.4. The Board of Directors shall, at its initiative, include candidates in the nominees' list for election to Company bodies and the voting ballots for election to Company bodies on or before the date of giving notice to the shareholders regarding the General Meeting and providing information (materials) to be furnished to the shareholders in preparation for the General Meeting.

## **6. PREPARATION OF THE LIST OF PERSONS ENTITLED TO ATTEND THE GENERAL MEETING**

### **6.1. List of persons entitled to attend the General Meeting**

6.1.1. The list of persons entitled to attend the General Meeting shall be prepared based on the data from the share register of the Company.

For the preparation of the list of persons entitled to attend the General Meeting, the nominal shareholder shall provide data regarding the share beneficiaries, as of the date of list preparation.

The nominal shareholder is obliged to submit the aforesaid data within the time-limit required for the Company to be reasonably able to comply with the time-limits set forth by the Federal Law on Joint Stock Companies and the Charter for convening a General Meeting, giving notice of General Meeting, providing voting ballots to the shareholders and other time-limits established for the benefit of shareholders.

6.1.2. The date of preparation of the list of persons entitled to attend the General Meeting may not be established earlier than 10 (ten) days from the date of adopting the decision to hold General Meeting, and no later than after 50 (fifty) days, and in the case stipulated in Para. 2, Article 53 of the Federal Law on Joint Stock Companies – more than 80 (eighty) days before the date of conducting the General Meeting.

Information concerning the date of compiling the list of persons entitled to attend the General Meeting is disclosed by the Company no less than 7 (seven) days before this date.

6.1.3. The aforesaid list shall be prepared by order of the sole executive body of the Company or persons entitled to convene General Meeting, as of the date specified in the order by the person keeping the share register of the Company. The applying person shall be held responsible for the compliance of the established date with the provisions of the RF legislation.

6.1.4. The list of persons entitled to attend the General Meeting of Shareholders may be amended by the Board of Directors only for the purpose of restoring the breached rights of persons not included in the aforesaid list, as of the date of its preparation, or eliminating errors made during its preparation.

6.1.5. In the event that shares are transferred after the preparation of the list of persons entitled to attend the General Meeting and before the General Meeting, the person included in the said list is obliged to issue to the transferee a power of attorney for voting, or to vote at the General Meeting in accordance with the transferee's instructions, if this is envisaged by the share transfer agreement.

## **6.2. Familiarization with the list of persons entitled to attend the General Meeting**

6.2.1. The list of persons entitled to attend the General Meeting shall be made available by the Company for familiarization upon request of persons included in the said list and holding at least 1 (one) percent of votes. With that, the data contained in the documents and the postal address of natural persons shall be provided only with consent of such persons.

6.2.2. Upon request of any interested person, the Company is obliged, within 3 (three) days, to provide to him/her an extract from the list of persons entitled to attend the General Meeting containing data regarding the said person, or a certificate confirming the said person was not included in the list of persons entitled to attend the General Meeting.

The request shall be signed by the shareholder or its proxy. If the request is signed by a proxy, a power of attorney shall be annexed thereto.

6.2.3. If the initiator is a legal entity shareholder, the signature of the legal entity's proxy acting pursuant to its charter without a power of attorney shall be affirmed with the seal of the said legal entity. If the request is signed by a proxy of the legal entity acting on its behalf under a power of attorney, the request shall be accompanied with the power of attorney.

The list of persons entitled to attend the General Meeting shall be made available for familiarization only to the shareholders signing the corresponding request no earlier than the date of list preparation.

## **7. NOTICE OF GENERAL MEETING OF SHAREHOLDERS**

### **7.1. Notice of General Meeting**

7.1. Notice of General Meeting shall be given to all persons included in the list of persons entitled to attend the General Meeting, including:

- all holders of ordinary registered shares of the Company;
- all holders of preferred registered shares of the Company if such shares are voting shares at the General Meeting concerned.

The fact of share holding shall be determined as of the date of preparation of the list of persons entitled to attend the General Meeting.

7.1.2. In the event that a person registered in the share register of the Company is a nominal shareholder, the notice of the General Meeting, and information (materials) subject to presentation to persons entitled to attend the General Meeting, in preparing for conducting the General Meeting shall be sent in electronic form (in the form of electronic documents signed with an electronic signature) to the nominal shareholder. The nominal shareholder is obliged to notify his/her depositors concerning the conducting to the General Meeting, and also the information (materials) obtained by him in accordance with this subitem, in the manner and time provided for in the legal regulations of the RF, or his/her contract with the depositor.

### **7.2. Time-limits for giving notice of General Meeting**

7.2.1. Notice of General Meeting shall be given no later than 30 (thirty) days in advance, including notice of General Meeting with an agenda item regarding reorganization of the Company.

7.2.2. In the cases stipulated in Paras. 2 and 8, Article 53 of the Federal Law on Joint Stock Companies, notice of extraordinary General Meeting shall be given no later than 70 (seventy) days before the meeting.

Within the aforesaid time-limits, notice of General Meeting shall be given in the manner established by the Charter.

### **7.3. Content of the notice of General Meeting**

7.3.1. The notice of General Meeting shall specify:

- full Company name;
- place of business of the Company;
- form of General Meeting (in presentia or absentee vote);

- date, place and time of the General Meeting, and in the cases when in conformity with Para 3, Article 60 of the Federal Law on Joint Stock Companies completed ballots can be sent to the Company, the postal address to which completed ballots can be sent, or in case of a General Meeting held in absentia – the ballot submission date and the postal address to which completed ballots should be sent;
- date of preparation of the list of persons entitled to attend the General Meeting;
- agenda of the General Meeting;
- procedure of familiarization with the information (materials) to be furnished in preparation for the General Meeting, and the address(es) at which it is available for familiarization.

## **8. INFORMATION (MATERIALS) TO BE FURNISHED TO SHAREHOLDERS IN PREPARATION FOR THE GENERAL MEETING**

### **8.1. Content of information (materials) to be furnished to the persons entitled to attend the General Meeting**

8.1.1. The information (materials) to be furnished to the persons entitled to attend the General Meeting in preparation for the General Meeting shall include:

- annual report,
- annual financial statements,
- Auditor's Opinion,
- Opinion of the Check-up Committee (Inspector) based on the results of checking the annual financial statements, financial and business activity of the Company for the year, and on the accuracy of the data contained in the annual report,
- Assessment of the Auditor's Opinion prepared by the Audit Committee of the Board of Directors,
- details of the nominee(s) to the Board of Directors and the Check-up Committee of the Company, and the Company's Auditors,
- draft amendments and supplements to be introduced to the Charter or the revised Charter,
- draft internal documents of the Company to be approved by the General Meeting,
- draft resolutions of the General Meeting,
- draft profit distribution based on the financial year results including payment (declaration) of dividends, remuneration and/or reimbursement of expenses to members of the Check-up Committee incurred in performing their duties, remuneration and/or reimbursement of expenses to members of the Board of Directors incurred in performing their duties,
- and any other information (materials) in conformity with the statutory regulations of the RF.

### **8.2. Information regarding nominees to Company bodies**

8.2.1. The information regarding nominee(s) to Company bodies to be furnished to the persons entitled to attend the General Meeting, shall include:

- full name;
- year of birth;
- educational background including skill development (specifying the name of the education institution, completed);
- places of work and positions for the last 5 (five) years;
- positions held with bodies of other legal entities for the last 5 (five) years;
- contact details.

### **8.3. Provision of information (materials) to be furnished to the persons entitled to attend the General Meeting**

8.3.1. Information (materials) stipulated in this item should be available for 30 (thirty) days before the General Meeting, to the persons entitled to attend the General Meeting, for familiarization in the office of the executive body of the Company and other places whose addresses are specified in the notice of General Meeting. The aforesaid information (materials) should be available to the persons attending the General Meeting during its holding.

8.3.2. The Company is obliged, upon request of any person entitled to attend the General Meeting furnish to such person copies of the aforesaid documents. The fee charged by the Company for furnishing such copies may not exceed their production costs.

## **9. METHODS OF PARTICIPATION OF SHAREHOLDERS AND THEIR PROXIES IN GENERAL MEETING. PROCEDURE FOR EXECUTION OF POWER OF ATTORNEY**

### **9.1. Persons attending the General Meeting**

9.1.1. The General Meeting may be attended by the persons included in the list of persons entitled to attend the General Meeting, their proxies, Company's Registrar/its agent, Company's Auditor/its agent, members of Company's bodies, and also any other persons admitted to the General Meeting by the Board of Directors.

### **9.2. Right to attend the General Meeting**

9.2.1. The right to attend a General Meeting shall be exercised by the shareholder in person or via his/her proxy.

In the event that shares were transferred after the date of preparation of the list of persons entitled to attend the General Meeting, and before the General Meeting Date, the person included in the aforesaid list shall issue to the transferee a power of attorney to attend the General Meeting or attend the General Meeting under the power of attorney issued by the share transferee, if this is provided for by the share transfer agreement.

9.2.2. The shareholder may attend the General Meeting in the following manner:

- personally participate in the discussion of agenda items and vote on them at the General Meeting held in presentia;
- send a proxy for participating in the discussion of agenda items and vote on them at the General Meeting held in presentia;
- vote in absentia;
- delegate the right to vote in absentia to his/her proxy.

### **9.3. Transfer of the right to attend the General Meeting**

9.3.1. The rights shall be transferred to the shareholder's proxy by means of issuing written authority – a power of attorney.

9.3.2. The power of attorney must contain information regarding the principal and the proxy (full name or description, place of residence or registered office, details of the document certifying the person \*series and (or) number of the document, date and place of its issue, agency that issued the document).

9.3.3. The power of attorney must be formulated in accordance with the requirements of the civil legislation of the RF.

9.3.4. The power of attorney from a legal entity is issued under the hand of its CEO or any other person duly authorised by the founding documents, affixed with the seal of the said legal entity or notarized.

9.3.5. The shareholder may at any time replace his/her proxy and personally exercise his/her rights granted by the share and terminate the power of attorney. The shareholder may, without terminating the power of attorney, replace his/her proxy and personally exercise the rights granted by the share.

The shareholder entitled to attend the General Meeting may at any time replace his/her proxy or personally attend the General Meeting and terminate the power of attorney in the manner established by law provided the consequences of terminating the power of attorney set forth in Para. 2, Article 189 of the RF Civil Code are met. In that case the shareholder should notify the Company of his/her decision to withdraw the power of attorney.

If a proxy's power of attorney was withdrawn in the above stated manner, he/she may not be registered for attending the General Meeting.

9.3.6. In the event that a share is co-owned by several persons the rights granted by its virtue at the General Meeting shall be exercised at their discretion by one of the co-owners or their joint agent. The authority of each of the above stated persons should be duly legalised.

## **10. GENERAL MEETING HELD BY ABSENTEE VOTE**

### **10.1. General Meeting held by absentee vote**

10.1.1. Any decision of the General Meeting may be adopted by absentee vote without holding a General Meeting in presentia.

The date of General Meeting held by absentee vote is deemed as the ballot submission date.

10.1.2. The General Meeting held in absentia may not consider and pass resolutions on:

- election of the Board of Directors;
- election of the Check-up Committee (Inspector);
- Approval of the Auditor of the Company;

· Approval of annual reports, annual financial statements, and distribution of the profits and losses of the Company based on the financial year results.

10.1.3. A new General Meeting may not be held in absentia in lieu of a General Meeting in presentia that did not take place.

10.1.4. Voting on agenda items of the General Meeting held by absentee vote shall take place only if ballots are used.

### **10.2. List of persons entitled to attend a General Meeting held by absentee vote**

10.2.1. The list of persons entitled to attend the General Meeting held by absentee vote shall be prepared on the basis of the data from the registered securities register of the Company, as of the date set forth by the Board of Directors in accordance with the legislation.

### **10.3. Notice of General Meeting held by absentee vote**

10.3.1. Notice of General Meeting held by absentee vote shall be given no later than 30 (thirty) days in advance, including the notice of General Meeting with an agenda item regarding reorganisation of the Company.

Within the aforesaid time-limits, the notice of General Meeting should be given in the manner established by the Charter.

10.3.2. The notice of General Meeting held in absentia shall specify:

- full Company name;
- place of business of the Company;
- form of General Meeting (in absentia);
- date of the General Meeting (ballot submission date);
- postal address to which completed ballots should be sent;
- date of preparation of the list of persons entitled to attend the General Meeting;
- agenda of the General Meeting;
- procedure of familiarization with the information (materials) to be furnished in preparation for the General Meeting, and the address(es) at which it is available for familiarization.

The notice of General Meeting may contain additional information included in it by the Board of Directors and the initiators of convening an extraordinary General Meeting.

10.3.3. For holding a General Meeting in absentia the voting ballot may be circulated or served against receipt to each person specified in the list of persons entitled to attend the General Meeting no later than 20 (twenty) days before the General Meeting.

Voting ballots shall be sent out in the manner stipulated in the Charter.

Each person included in the list of persons entitled to attend the General Meeting shall be provided with 1 (one) copy of the ballot for voting on all items or with 1 (one) copy of each ballot for voting on different items on the agenda of the General Meeting.

All shareholders holding one share(s) as joint ownership and included in the list of persons entitled to attend the General Meeting shall be provided with 1 (one) copy of the ballot for voting on all items or with 1 (one) copy each of two or more ballots for voting on different items.

10.3.4. The shareholders in possession of voting shares of the Company granting voting rights only on certain agenda items of the General Meeting, and also any other persons included in the list of persons entitled to attend the General Meeting and acting for the benefit of shareholders in possession of such shares shall be provided with ballots containing voting options only for such agenda items of the General Meeting.

### **Article 10.4. Quorum at a General Meeting held by absentee vote**

10.4.1. General Meeting held in absentia shall have a quorum if attended by the shareholders holding an aggregate of more than half of the placed voting shares of the Company.

The shareholders whose ballots were received before the ballot submission date shall be deemed as attending the General Meeting held in absentia.

If the agenda of a General Meeting includes items to be voted by a different composition of voters, the quorum for taking a decision on such items shall be determined separately. However, the absence of a quorum for making a decision on items voted by one composition of participants shall not prevent the taking of decisions on the items voted by a different composition of participants where a quorum is present.

10.4.2. In the absence of a quorum for holding an extraordinary General Meeting a repeated General Meeting may be held with the same agenda.

The repeated General Meeting shall be valid (have a quorum) if attended by the shareholders holding an aggregate of at least 30 (thirty) percent of the placed voting shares of the Company.

Notice of a repeated General Meeting shall be given in conformity with the provisions of Article 52 of the Federal Law on Joint Stock Companies.

However, provisions of Para. 2, Clause 1, Article 52 of the Federal Law on Joint Stock Companies shall not apply.

3. For holding a repeated General Meeting less than 40 (forty) days after the General Meeting not held, the persons entitled to attend the General Meeting shall be determined in conformity with the list of persons entitled to attend the General Meeting not held.

## **11. WORKING BODIES OF THE GENERAL MEETING**

### **11.1. Main provisions on the working bodies of the General Meeting**

11.1.1. The working bodies of the General Meeting are as follows:

- Chairperson of the General Meeting (hereinafter – Chairperson of the Meeting);
- Secretary of the General Meeting (hereinafter – Secretary of the Meeting);
- Counting Commission of the General Meeting – independent permanent acting body of the General Meeting. Duties of the body are performed by independent organization with legally provided license keeping the Company's register of shareholders (hereinafter – Counting Commission).

### **11.2. Chairperson of the General Meeting**

11.2.1. General Meeting shall be chaired by a natural person approved by the Board of Directors.

11.2.2. The Chairperson of the Meeting performs the following duties:

- formally declares the General Meeting open and concluded;
- upon completion of discussion of all agenda items he/she declares a vote on them;
- conducts the General Meeting;
- controls adherence to the time-limits and rules of the General Meeting;
- properly instructs and tasks the Counting Commission;
- gives instructions regarding the circulation of General Meeting documents;
- takes measures to maintain or re-establish order at the General Meeting;
- in the event that a speaker violates the General Meeting regulations the Chairperson takes the floor away from him/her;
- announces the start and end of breaks in the General Meeting proceedings and sign the minutes of the General Meeting.

11.2.3. The Chairperson of the Meeting may instruct another person to conduct the General Meeting, while remaining Chairperson of the Meeting.

### **11.3. Secretary of the Meeting**

11.3.1. The Secretary of the Meeting shall be a natural person approved by the Board of Directors.

11.3.2. The Secretary of the Meeting shall keep, prepare and sign the minutes of the General Meeting.

### **11.4. Counting Commission**

11.4.1. The Counting Commission with regard to the performance of its duties shall be an independent standing working body of the General Meeting.

11.4.2. The information received by the persons performing the functions of counting commission in the course of processing the voting results (counting of the votes and completion of a summary) shall be confidential.

11.4.3. The Counting Commission shall perform the following functions:

- check the authority and register the persons attending the General Meeting, and keep registration records;
- keep record of powers of attorney (their entitlement) and any other documents pursuant to which a General Meeting participant acts on behalf of a person included in the list of persons entitled to attend the General Meeting;
- serve and circulate ballots for voting at the General Meeting;
- distribute ballots for voting at the General Meeting to the registered participants of the meeting;
- determine the quorum of the General Meeting on each item put to vote;

- clarify any matters relating to the exercise by General Meeting participants of their voting right at the General Meeting;
- articulate the procedure for voting on the items put to vote;
- ensure the established voting procedure and shareholders' entitlement to vote;
- determine the number of voting shares held by the shareholder as of the time of vote;
- count the votes and summarise the voting results;
- prepare voting results summary;
- prepare a voting results report;
- file the documents of the General Meeting to Company, including the voting ballots and powers of attorney (their copies) and any other documents pursuant to which General Meeting participants act on behalf of persons entitled to attend the General Meeting (their copies);
- prepare the list of shareholders entitled to buy out the Company shares they hold in the cases provided for in the Federal Law on Joint Stock Companies;
- perform such other functions as stipulated in the Charter and internal documents of the Company.

## **12. REGISTRATION OF PARTICIPANTS OF THE GENERAL MEETING**

### **12.1. Participants of the General Meeting**

12.1.1. The shareholders registered for participation in the General Meeting and the shareholders whose ballots were received no later than 2 (two) days after the date of the General Meeting shall be deemed attendees of the General Meeting held in presentia.

12.1.2. The shareholders whose ballots were received no later than the Company's ballot submission date shall be deemed attendees of the General Meeting held by absentee vote.

### **12.2. Registration of participants of the General Meeting**

12.2.1. The Counting Commission shall verify the authority and register the persons attending the General Meeting.

12.2.2. The venue for registration of persons participating in the General Meeting shall be the same as for the General Meeting.

### **12.3. Procedure for registration of participants of the General Meeting**

12.3.1. For registration the Counting Commission shall keep a General Meeting participants' register.

The Counting Commission at its own initiative may keep other registration forms and logs.

12.3.2. Registration shall start no later than 1 (one) hour before the General Meeting time.

12.3.3. The following documents shall be presented by General Meeting participants for registration:

- shareholder (natural person) — ID card;
- proxy of shareholder (natural person) — power of attorney issued by the shareholder and the proxy's ID card;
- proxy of shareholder (legal entity) — power of attorney issued by the legal entity and the proxy's ID card;
- CEO of legal entity that is a shareholder in the Company — document confirming his/her position in conformity with the existing legislation and an ID card;
  - proxies of shareholders with authorities based on instructions of Federal Laws or Authorized State Bodies' acts or Local Authorities' acts submit to the Counting Commission a document certifying appointment to the corresponding position;
  - assignees of persons with the right to attend General Meeting submit to the Counting Commission all documents certifying their authorities.

12.3.4. The Counting Commission shall certify the identity of the meeting participant pursuant to the list of persons entitled to attend the General Meeting.

The Counting Commission shall circulate voting ballots to the General Meeting participant against receipt.

The Counting Commission shall complete the meeting participants' registers.

Powers of attorney and any other documents attesting the General Meeting participant's right to act on behalf of the shareholder shall be handed in to the Counting Commission at registration.

Documents are handed in to the Counting Commission in the form of original copies or certified copies.

Copy of resolution of the legal entity authorized body in respect of election of a person acting on behalf of the legal entity without the power of attorney (or extract from it) may be certified by the legal entity itself.

Copies of documents of state body or local authority may be certified by a body itself.

Copies that were completely or partially drawn up in foreign language (excluding documents, certifying identities of physical persons, issued by competent authorities of foreign states, that were drawn up in several languages, including Russian) shall be handed in or presented to the Counting Commission with certified translation to Russian.

Documents issued by competent authorities of foreign states confirming status of legal entities drawn up in accordance with a legislation of a foreign state, shall be received by the Counting Commission upon condition of proper legalization in the established order or without legalization in cases provided by international contracts of the RF.

12.3.5. Persons with the right to attend the General Meeting are subject for registration excluding those whose ballots were received not later than two (2) days prior to the date of the General Meeting.

12.3.6. Persons with the right to attend the General Meeting held in presentia whose ballots were received not later than two (2) days prior to the date of the General Meeting shall have the right to attend the General Meeting.

12.3.7. Upon registration for the General Meeting, all persons performing voting on shares circulated out of the boundaries of the RF in the form of depository bonds, shall inform the Counting Commission in writing on the number of shares to which instructions were received from owners of depository bonds.

12.3.8. If, due to any matters included into the General Meeting agenda, the number of shares in relation to which the instructions were received from the owners differs (does not coincide), then the person shall inform the Counting Commission on the corresponding number of shares in relation to which the instructions were obtained from the owners of depository bonds. This shall be applied to every matter included in the General Meeting agenda.

12.3.9. Registration of persons entitled to attend the General Meeting shall not end once the General Meeting starts. The persons entitled to attend the General Meeting may get registered while the General Meeting lasts.

Upon completion of discussion on the last item on the agenda of the General Meeting where a quorum is present, the registration shall end.

12.3.10. The Counting Commission shall report to Meeting participants regarding the quorum present on each agenda item of the General Meeting.

### **13. QUORUM AT THE GENERAL MEETING. REPEATED CONVENING OF GENERAL MEETING**

#### **13.1. Determination of a quorum at the General Meeting**

13.1.1. The General Meeting shall be valid (shall have a quorum) if attended by the shareholders holding an aggregate of half the votes of the placed voting shares of the Company.

13.1.2. If the agenda of a General Meeting includes items to be voted by a different composition of voters, the quorum for taking a decision on such items shall be determined separately. However, the absence of a quorum for making a decision on items voted by one composition of participants shall not prevent the taking of decisions on the items voted by a different composition of participants where a quorum is present.

If at the time the General Meeting started there was no quorum on certain agenda items of the General Meeting but it was reached in the course of General Meeting proceedings (the holders of the necessary number of shares entitling them to the right to vote on such agenda items, got registered), the Counting Commission shall inform the General Meeting to the effect, and the latter shall have the right to pass resolutions on such items.

#### **13.2. Repeated convening of General Meeting**

13.2.1. If a quorum to hold an Annual General Meeting is not present, a repeated General Meeting shall be held with the same agenda. If a quorum to hold an extraordinary General Meeting is not present, a repeated General Meeting shall be held with the same agenda.

13.2.2. A repeated General Meeting shall be valid (shall have a quorum) if attended by the shareholders holding an aggregate of at least 30 (thirty) percent of the votes provided by placed voting shares of the Company.

Notice of a repeated General Meeting shall be given in conformity with the provisions of Article 52 of the Federal Law on Joint Stock Companies. However the provisions of Para. 2, Clause 1, Article 52 of the above Federal law shall not apply. Voting ballots for holding a repeated General Meeting shall be served or circulated in conformity with the provisions of Article 60 of the Federal Law on Joint Stock Companies.



13.2.3. For holding a repeated General Meeting less than 40 (forty) days after the General Meeting not held, the persons entitled to attend the General Meeting shall be determined in conformity with the list of persons entitled to attend the General Meeting not held.

## **14. WORKING PROCEDURE OF GENERAL MEETING HELD IN PRESENTIA**

### **14.1. Time and place of General Meeting held in presentia**

14.1.1. No General Meeting in presentia may be held in a place and at a time creating significant obstacles for a majority of shareholders to attend the General Meeting, or making such attendance impossible.

No General Meeting may be held at night time (from 10 PM to 6 AM local time).

No General Meeting may be held outside of population centres.

14.1.2. In the event that the Charter specifies a particular address (list of addresses) at which the General Meeting is to be held, the General Meeting may be held only at such address(s) unless it entails a breach in the rule stipulated in item 14.1.1 hereof.

14.1.3. The General Meeting shall be held in a room with adequate capacity to accommodate the number of shareholders registered to attend previous General Meetings.

No General Meeting may be held at manufacturing sites or any other premises rendering its normal work impossible.

### **14.2. Working procedure of General Meeting**

14.2.1. The General Meeting shall be conducted without interruptions.

14.2.2. Every speaker's declaration regarding every matter of the General Meeting agenda shall last 20 minutes maximum.

14.2.3. Answering questions regarding speakers' declaration shall last 15 minutes maximum.

14.2.4. Questions for speakers and requests for word shall only be made in writing. Notes with questions and statements shall be passed over to the Meeting Secretary or, in his/her absence, to the Counting Commission.

14.2.5. In the event that a General Meeting is held continuously for 2 (two) hours, it may adjourn for no more than 15 (fifteen) minutes and no more than 30 (thirty) minutes.

In the event that a General Meeting is held continuously for 4 (four) hours, it may adjourn for no more than 40 (forty) minutes and no more than 2 (two) hours.

No General Meeting may continue after 10 PM local time.

In the event it is impossible to complete a General Meeting within 1 (one) day, it may adjourn until next day but not earlier than 9 AM local time.

Longer adjournments shall not be allowed.

14.2.6. General Meeting shall be considered open or concluded from the moment of the corresponding declaration of the Chairperson of the Meeting.

## **15. VOTING AT A GENERAL MEETING. VOTING BALLOTS**

### **15.1. Voting at a General Meeting**

15.1.1. Voting at a General Meeting shall be based on the principle of "one voting share – one vote," and for cumulative voting – "one voting share – equal number of votes."

15.1.2. No splitting of General Meeting participant's votes shall be allowed i.e. if he/she has more than one voting share he/she may not use a part of share to vote in favour and the other part to vote opposed or abstained on the item concerned.

15.1.3. The vote count at a General Meeting on an item put to vote where the voting right is held by shareholders holding ordinary and preferred shares of the Company, shall be carried out for all voting shares jointly save for the cases provided for in the Federal Law on Joint Stock Companies.

### **15.2. Voting ballots**

15.2.1. For voting at the General Meeting on items put to vote including items relating to the conduct of General Meeting voting ballots shall be used.

15.2.2. The voting ballot shall be served against receipt to each person included in the list of persons entitled to attend the General Meeting (his/her proxy) registered for attending the General Meeting save for the cases provided for in the second paragraph of this subclause.

For holding the General Meeting, the ballot shall be circulated or served against receipt to each person specified in the list of persons entitled to attend the General Meeting no later than 20 (twenty) days before the General Meeting.

15.2.3. The voting ballot form and text should be approved by the Board of Directors.

Multiple voting ballots may be used.

A voting ballot may include one or several items put to vote.

For holding a General Meeting in presentia for discussing agenda items and taking decisions on items put to vote, with voting ballots circulated/served to the shareholders prior to the General Meeting, the voting ballot forms issued to shareholders at their registration for attending the General Meeting may differ from the voting ballot forms circulated/served to the shareholders prior to the General Meeting.

15.2.4. Person that fills in voting ballot has the right (before conclusion of the General Meeting) to demand certification of a copy of its ballot by the Counting Commission (proxies of registrar performing duties of the Counting Commission) of the Company.

### **15.3. Ballot content requirements**

15.3.1. For holding a General Meeting in presentia without voting ballots circulated/served to the shareholders prior to the General Meeting the voting ballot shall specify:

- full Company name;
- registered office of the Company;
- form of General Meeting;
- date, place and time of General Meeting;
- item put to vote;
- wordings of resolutions on the item put to vote for voting with the ballot;
- voting options for each proposed resolution on the item put to vote using wordings such as “in favour,” “opposed” or “abstained;”
- mention of the fact that the voting ballot should be signed by the shareholder.

15.3.2. For holding a General Meeting in presentia with voting ballots circulated/served to the shareholders prior to the General Meeting the voting ballot shall specify:

- full Company name;
- registered office of the Company;
- form of General Meeting;
- date, place and time of General Meeting;
- submission date for voting ballots circulated/served to the shareholders prior to the General Meeting;
- postal address to which completed voting ballots may be sent/personally handed in at the Company’s offices);
- item put to vote;
- wordings of resolutions on the item put to vote for voting with the ballot;
- voting options for each proposed resolution on the item put to vote using wordings such as “in favour,” “opposed” or “abstained;”
- mention of the fact that the voting ballot should be signed by the shareholder.

15.3.3. For holding a General Meeting by absentee vote the voting ballot shall specify:

- full Company name;
- registered office of the Company;
- form of General Meeting (absentee vote);
- date of General Meeting (ballot submission date);
- place and time of General Meeting;
- postal address to which completed voting ballots may be sent (handed in);
- item put to vote;
- wordings of resolutions on the item put to vote for voting with the ballot;
- voting options for each proposed resolution on the item put to vote using wordings such as “in favour,” “opposed” or “abstained;”
- mention of the fact that the voting ballot should be signed by the shareholder.

15.3.4. The voting ballot may specify additional data determined by the Board of Directors for approving the voting ballot form and text.

#### **15.4. Cumulative voting ballot requirements**

15.4.1. For cumulative voting in electing the Board of Directors the voting ballot shall contain a reference to the aforesaid fact and details of the cumulative vote procedure.

15.4.2. The cumulative voting ballot shall contain voting options as follows: “for,” “against” or “abstained” which are indicated 1 (one) time in relation to all candidates included in the list of candidates for election to the Board of Directors of the Company, and opposite against each candidate there must be a box for checking the number of votes cast for this candidate.

When voting “in favour” the General Meeting participant may cast all votes that he/she holds for one nominee or distribute them between two or more nominees.

15.4.3. For cumulative voting a ballot shall be deemed invalid wherein the General Meeting participant distributed between nominees more votes than he/she holds at the time of voting.

#### **15.5. Signed proxy ballots**

15.5.1. In the event that a voting ballot is submitted to the Company prior to holding a General Meeting in presentia and for holding a General Meeting by absentee vote the ballot signed by the proxy of a person included in the list of persons entitled to attend the General Meeting and acting pursuant to a power of attorney shall be accompanied with a power of attorney (notarized copy) or any other document (notarised copy), certifying the proxy’s right to act on behalf of the shareholder.

If the power of attorney was delegated, then along with it (its notarized copy) the power of attorney (or its notarized copy) pursuant to which it was issued shall be submitted.

The power of attorney shall be executed in accordance with the provisions of the civil legislation of the RF.

15.5.2. If the requirements stipulated in this subitem are not met, the voting ballot signed by the proxy acting pursuant to a power of attorney shall be disregarded (deemed invalid).

#### **15.6. Voting procedure**

15.6.1. A General Meeting participant may vote at any time after General Meeting registration commences.

A General Meeting participant may formulate and express his/her opinion regarding items put to vote both taking part in the discussion or without it. Taking part in the discussion of agenda items is the shareholder’s right.

15.6.2. Ballots shall be completed by General Meeting participants without using voting booths.

To expedite the summarisation of voting results it is allowed to use separate boxes for ballots with voting options “in favour,” “opposed” or “abstained.”

15.6.3. Only one possible voting option should be left the voting ballots for each item. The ballots completed in breach of this requirement shall be deemed invalid and the votes they contain shall be disregarded.

#### **15.7. Voting ballot storage**

15.7.1. The Company shall permanently keep all the voting ballots that took part in the vote.

### **16. VOTING RESULTS SUMMARY AND REPORT OF THE GENERAL MEETING**

#### **16.1. Summarisation of voting results**

16.1.1. The results of voting on items put to vote shall be summarised by the Counting Commission.

The resolution of the General Meeting shall not be deemed approved and may not be disclosed before summarising the results of voting on all agenda items.

16.1.2. If the agenda of a General Meeting includes items relating to the election of several Company bodies at a time, the results of voting on such items, regardless of the order of their consideration, shall be summarized in the following order:

- 1) election of the Board of Directors;
- 2) election of the Check-up Committee.

16.1.3. The election to a body of the Company shall be deemed to have taken place if the number of members elected to the Company body concerned is not less than the number of members of the body stipulated by the Charter as a quorum for holding a meeting of such body of the Company.

16.1.4. To exercise the shareholder's right to demand the Company buy out shares held by him/her, the ballot where the voting option "opposed" is left shall be deemed cast against the item put to vote. An "abstained" ballot and a ballot deemed invalid shall not entitle the shareholder to demand the Company buy out shares held by him/her.

16.1.5. Voting results and resolutions made during the General Meeting are declared at the General Meeting, or brought (should be brought in case if it is provided by the Federal Law on Joint Stock Companies) to notice of persons included into the list of persons entitled to attend the General Meeting in the form of voting results summary in the order and within the time limits established by the Federal Law on Joint Stock Companies.

## **16.2. Voting results summary of the General Meeting**

16.2.1. Based on the voting results, the Counting Commission shall prepare a voting results summary of the General Meeting to reflect the results of voting on each agenda item set to vote.

16.2.2. The voting results summary shall specify:

- full Company name;
- registered office of the Company;
- type of General Meeting (annual or extraordinary);
- form of General Meeting (in presentia or by absentee vote);
- date of compiling the list of persons entitled to attend the General Meeting;
- date of General Meeting (ballot submission date for voting at a General Meeting held by absentee vote);
- starting and ending time for registering the persons entitled to attend the General Meeting held in presentia;
- opening and closing time of the General Meeting held in presentia, and if the decisions passed by the General Meeting and the voting results thereof were announced at the General Meeting, also the starting time for counting votes;
- venue of the General Meeting held in presentia (address at which the General Meeting was held);
- agenda of the General Meeting;
- wording of each item put to vote and options of resolution on each item;
- number of votes held by the persons included in the list of persons entitled to attend the General Meeting, for each agenda item of the General Meeting.
- number of votes that fell to voting shares of the Company for each question on the agenda of the General Meeting specified, defined as per the current legislation;
- number of votes held by the persons included attending the General Meeting, for each agenda item of the General Meeting specifying the availability of a quorum for each item;

16.2.3.

16.2.4.

· number of votes cast on each voting option "in favour," "opposed" or "abstained" (the absolute number of votes and the percentage of the total number of voting shares granting the right to vote on the item concerned and held by the persons attending the General Meeting) for each agenda item of the General Meeting wherever there was a quorum;

- number of votes cast on each agenda item of the General Meeting put to vote, which were not counted since the ballots (including in respect of voting on relevant matters) were deemed invalid;

- date of summary prepared;
- names of members of the Counting Commission, and if the responsibilities of the Counting Commission were performed by the Registrar – the full Company name, Registrar's registered office and names of the persons authorised by the same.

16.2.5. The voting results summary shall be prepared in 2 (two) copies, and if necessary in more copies. Each copy shall be signed by members of the Counting Commission.

16.2.6.. The voting results summary shall be prepared no later than 3 (three) business days after the adjournment of the General Meeting, or the ballot submission date for General Meeting held in absentia.

Upon preparing the voting results summary and signing the minutes of the General Meeting the voting ballots shall be placed under seals by the Counting Commission and deposited for permanent custody in the Company records.

16.2.7. The voting results summary shall be annexed to the minutes of the General Meeting.

16.2.8. Voting results summaries shall not be approved by a special resolution of the General Meeting. The resolution of the General Meeting on the item put to vote shall be deemed passed (not passed) once the voting results summary is prepared.

16.2.9. The resolution passed by the General Meeting and the voting results shall be brought to the attention of the persons included in the list of persons entitled to attend the General Meeting in the manner stipulated by the Federal law on Joint Stock Companies.

16.2.10. The voting results summary shall be accompanied with written complaints and applications received by the Counting Commission.

### **16.3. Voting results report of the General Meeting**

16.3.1. Decisions made by the General Meeting are brought to the attention of the persons included in the list of person entitled to attend the General Meeting, in the form of a report of the results of the voting in the manner prescribed by the Federal Law on Joint Stock Companies.

16.3.2. The voting results report shall specify:

- full Company name;
- registered office of the Company;
- type of General Meeting (annual or extraordinary);
- form of General Meeting (in presentia or by absentee vote);
- date of compiling the list of persons entitled to attend the General Meeting;
- date of General Meeting (ballot submission date for voting at a General Meeting held by absentee vote);
- venue of the General Meeting held in presentia (address at which the meeting was held);
- agenda of the General Meeting;
- number of votes held by the persons included in the list of persons entitled to attend the General Meeting, for each agenda item of the General Meeting;
- number of votes that fell to voting shares of the company for each question on the agenda of the General Meeting, specified in accordance with the current legislation;
- number of votes held by the persons included attending the General Meeting, for each agenda item of the General Meeting specifying the availability of a quorum for each item;
- number of votes cast on each voting option "in favour," "opposed" or "abstained" (the absolute number of votes and the percentage of the total number of voting shares granting the right to vote on the item concerned and held by the persons attending the General Meeting) for each agenda item of the General Meeting wherever there was a quorum;
- wording of the resolution passed for each item on the agenda put to vote;
- names of members of the Counting Commission, and if the responsibilities of the Counting Commission were performed by the Registrar – the full company name, Registrar's registered office and names of the persons authorised by the same.
- names of the Chairperson and the Secretary of the General Meeting.

## **17. MINUTES OF THE GENERAL MEETING**

### **17.1. Preparation of the minutes of the General Meeting**

17.1.1. The minutes of the General Meeting shall be prepared no later than 3 (three) business days after the adjournment of the General Meeting.

For the General Meeting held in absentia the minutes of the General Meeting based on the results of vote in absentia shall be prepared no later than 3 (three) business days after the Company's ballot submission date for absentee vote.

17.1.2. The minutes of the General Meeting shall specify:

- full Company name;
- registered office of the Company;
- type of General Meeting (annual or extraordinary);
- form of General Meeting (in presentia or by absentee vote);
- date of compiling the list of persons entitled to attend the General Meeting;
- date of General Meeting (ballot submission date for voting at a General Meeting held by absentee vote);
- starting and ending time for registering the persons entitled to attend the General Meeting held in presentia;

- opening and closing time of the General Meeting held in presentia, and is the decisions passed by the General Meeting and the voting results thereof were announced at the General Meeting, also the starting time for counting votes;
- venue of the General Meeting held in presentia (address at which the General Meeting was held);
- postal address to which completed voting ballots were sent for holding General Meeting by absentee vote, and also for holding General Meeting in presentia if voting on items included in the agenda of the General Meeting could be taken by means of sending completed ballots to the Company;
- agenda of the General Meeting;
- items put to vote;
- wording of each item put to vote and options of resolution on each item;
- number of votes held by the persons included in the list of persons entitled to attend the General Meeting, for each agenda item of the General Meeting;
- number of votes that fell to voting shares of the company for each question on the agenda of the General Meeting, specified in accordance with the current legislation;
- number of votes held by the persons included attending the General Meeting, for each agenda item of the General Meeting specifying the availability of a quorum for each item;
- number of votes cast on each voting option "in favour," "opposed" or "abstained" (the absolute number of votes and the percentage of the total number of voting shares granting the right to vote on the item concerned and held by the persons attending the General Meeting) for each agenda item of the General Meeting wherever there was a quorum;
- wording of the resolution passed on the item put to vote and wording of the decision made on each item of the agenda;
- Chairperson and Secretary of the General Meeting;
- date of minutes prepared.

The minutes of the General Meeting shall contain the key statements from addresses.

17.1.3. The minutes of the General Meeting shall be accompanied with the voting results summary of the General Meeting.

17.1.4. The minutes of the General Meeting shall be prepared in 2 (two) copies. Both copies shall be signed by the Chairperson of the General Meeting and the Secretary of the General Meeting.

17.1.5. The General Meeting minutes are placed to web-site of the Company ([www.lsrgroup.ru](http://www.lsrgroup.ru)) in information and telecommunications network Internet within 3 (three) days from the date of completion of the minutes.

## **17.2. Storage and availability of the minutes of the General Meeting and the voting results summary**

17.2.1. The minutes of the General Meeting and the voting results summary are permanent storage documents.

17.2.2. Copies of the minutes of the General Meeting should be provided by the Company to any shareholder within 7 (seven) days from receiving shareholder's request. The aforesaid copies shall be provided subject to the compensation of their production costs.

## **18. FINANCIAL PROVISIONS FOR CONVENING AND HOLDING A GENERAL MEETING**

### **18.1. Compensation of expenses incurred in convening and holding of extraordinary General Meeting**

18.1.1. If, according to judgement, the Extraordinary General Meeting is held by the claimant, expenses on preparation and carrying out of this General Meeting can be compensated by the Company under the decision of the General Meeting and at the expense of the Company's means.