

**APPROVED** by  
General Meeting of Shareholders  
JSC “Sistema-Hals”  
Protocol No.22 of June 28, 2011.

**REGULATIONS ON  
GENERAL MEETING OF SHAREHOLDERS  
“HALS-DEVELOPMENT”**

Moscow-City, 2011.

## **1. General**

1.1. This Regulations stipulate the schedule of preparation, convocation and conduction of the General Meeting of Shareholders of Joint Stock Company «HALS-Development» (hereinafter – the Company) in accordance with the Civil Code of Russian Federation, the Federal Law on Joint Stock Companies, other legal instruments of the Russian Federation, and the Articles of Incorporation of the Company.

1.2. General Meeting of Shareholders of the Company is the body of supreme authority of the Company.

The competence of General Meeting of Shareholders is governed by the legislation of Russian Federation and by the Articles of Incorporation of the Company. Issues within the scope of the competence of General Meeting of Shareholders cannot be handed over for the consideration of the Board of Directors of the Company, excluding the issues as provided by the Federal Law on Joint Stock Companies, and also for the consideration of executive bodies of the Company. The General Meeting of Shareholders has no authority to consider and to make decisions on the questions out of the scope of its authority.

1.3. General Meeting of Shareholders has no authority to make decisions on the issues which have not been included into the Agenda of the General Meeting of Shareholders and also to alter the Agenda.

1.4. The Company is obliged to conduct the Annual General Meeting of Shareholders.

The Annual General Meeting of Shareholders is conducted not earlier than two months after the end of fiscal year of the Company. The date of Annual General Meeting of Shareholders is determined by the Board of Directors of the Company within the frames of mentioned period.

General Meeting of Shareholders considers the following issues:

- Election of the Board of Directors of the Company;
- Election of the Check-up Committee of the Company;
- Approval of the Auditor of the Company;
- Approval of the annual reports, financial statement including profit & loss statements of the Company;
- Distribution of profit & loss of the Company as for the results of fiscal year;
- Other issues within the frame of authority of the General Meeting of Shareholders according to existing legislation of the Russian Federation and the Articles of Incorporation of the Company.

1.5. All the Meetings conducted besides of the Annual General Meeting of shareholders are extraordinary ones. The extraordinary General Meeting of Shareholders is conducted according to the decision of the Board of Directors of the Company based on its own initiative, requests of the Check-up Committee of the Company, of Auditor of the Company, and also of the shareholder(s) owning not less than 10 per cent of the shares carrying voting rights of the Company as for the date of the request. Convocation of extraordinary General Meeting of Shareholders at the requests of Check-up Committee of the Company, of Auditor of the Company, and of the shareholder(s) owning not less than 10 per cent of the shares carrying voting rights of the Company, is performed by the Board of Directors of the Company.

The extraordinary General Meeting of Shareholders convoke according to the request of Check-up Committee of the Company, of Auditor of the Company, and of the shareholder(s) owning not less than 10 per cent of the shares carrying voting rights of the Company, should be conducted during the period of 40 days from the moment of the request about the conduction of the extraordinary General Meeting of Shareholders.

In the case where the proposed Agenda of extraordinary General Meeting of Shareholders contains the issues of election of the members of the Board of Directors of the Company, such General Meeting of Shareholders should be conducted within the period of 70 days from the moment of the request about the conduction of the extraordinary General Meeting of Shareholders.

In the cases where in accordance with the provisions of arts. 68 - 70 of the Federal Law on Joint Stock Companies the Board of Directors of the Company is obliged to make the decision about the conduct of extraordinary General Meeting of Shareholders, such General Meeting of Shareholders should be conducted during the period of 40 days from the moment of the decision of the Board of Directors of the Company about the conduct of extraordinary General Meeting of Shareholders.

In the cases where in accordance with the provisions of the Federal Law on Joint Stock Companies the Board of Directors of the Company is obliged to make the decision about the conduct of

extraordinary General Meeting of Shareholders for the election of the members of the Board of Directors, such General Meeting of Shareholders should be conducted during the period of 90 days from the moment of the decision of the Board of Directors of the Company about its conduct. In the case where the Board of Directors of the Company either fails to make the decision about the conduct of extraordinary General Meeting of Shareholders during the period stipulated by the existing legislation of the Russian Federation, or decides to reject the request about the Meeting convocation, the body of the Company requesting this convocation is entitled to seize the court with demand of coercion of the Company to conduct the extraordinary General Meeting of Shareholders in accordance with the regulations stipulated by the Federal Law on Joint Stock Companies.

1.6. The General Meeting of Shareholders is conducted in form of session (competence of the Company's shareholders for discussion of the issues of the Agenda and making the decisions put to vote).

The decision of the General Meeting of Shareholders might also be made without the conduction of the meeting by means of conduction of absentee vote.

The General Meeting of Shareholders which Agenda includes the issues of election of the Board of Directors of the Company, of the Check-up Committee of the Company, of the approval of the Company's Auditor, and also of the approval of annual reports, annual financial statements including profit & loss reports of the Company as for the results of fiscal year might not be conducted in the form of absentee vote.

## **2. The Schedule of amendment of the Agenda of Annual General Meeting of Shareholders, the request about conduct of extraordinary General Meeting of Shareholders, considering of these proposals and requests by the Board of Directors**

2.1. The shareholder(s) owning in the aggregate not less than 2 per cent of the shares of the company carrying voting rights are entitled to bring the issues into the Agenda and to field candidates for elections of the Board of Directors and the Check-up Committee of the Company.

The amount of shares of the company carrying voting rights owning by the shareholder(s) bringing the issues into the Agenda and/or fielding the candidates for elections of bodies of the Company elected by the General Meeting of Shareholders is to be determined as for the date of such suggestion.

The amount of shares of the company carrying voting rights owning by the shareholder(s) requesting the conduct of extraordinary General Meeting of Shareholders according to the p. 1.5. of this Schedule is to be determined as for the date of such request.

2.2. The suggestion on the issues of the Agenda of Annual General Meeting of Shareholders and suggestions on fielding the candidates for elections of bodies of the Company elected by the General Meeting of Shareholders might be brought and the requests for conduct of extraordinary General Meeting of Shareholders might be produced by means of:

- Postal correspondence for the address (location) of the sole executive body of the Company included into the Unified State Register of Legal Entities: Bolshaya Tatarskaya Str. 35, bld. 4 115184 Moscow, the Russian Federation (Российская Федерация, 115184, г. Москва, ул. Большая Татарская, д. 35, стр. 4.);
- Commitment certified by the signature to the person performing the functions of the sole executive body of the Company, to the Chairman of Board of Directors, to Corporation Secretary of the Company, or to other persons authorized to accept the written correspondence addressed to the Company.

2.3. Suggestions (requests) mentioned in p. 2.2 of this Schedule should be brought (produced) in written with specification of the names (denominations) of the shareholder(s), and also of the numbers and categories (types) of the equities owned by them, and also its should be signed by the shareholder(s) or by their representatives. In the case where suggestions for the Agenda of the General Meeting of Shareholders or request for conduct of extraordinary General Meeting of Shareholders were signed by the shareholder's representative, this suggestion (request) should be accompanied by the letters of attorney issued by the shareholders (shareholder), filled in accordance to the requirements of paragraph 5.2. of these Regulations.

The suggestions about the issues of the Agenda of the General Meeting of Shareholders should contain the formulation of each proposed issue and might contain the formulation of the decision on proposed issue.

The suggestions of the fielding of the candidates should contain the name of each candidate, personal identification document details (series and (or) number of the document, date and place of issuance, name of the body issued the document) of each candidate, and nomination of the body where the candidate if suggested to be elected in.

Such suggestion might be accompanied by written consent of fielded candidate for going to the polls. The information on either presence or absence of written consent of the candidate to go the polls is brought for attention of the persons entitled to participate in the General Meeting of Shareholders.

The request about convocation of the extraordinary General Meeting of Shareholders should contain the formulation of issues for inclusion into the Agenda. The request might contain the formulations of decisions for each proposed question, and also proposal for the form of the Meeting conduct.

2.4. The responsibility of registration of received proposals is to be undertaken by the Corporation Secretary of the Company.

2.5. The Board of Directors is obliged to consider received suggestions for the Agenda of the Annual General Meeting of Shareholders and suggestion on fielding of the candidates to the Company's bodies elected by either Annual or Extraordinary General Meeting of Shareholders, and to make the decision about inclusion thereof into the Agenda not later than five days after the moment of expiration of the period for introduction of such suggestion stipulated by existing legislation of the Russian Federation and by the Articles of Incorporation of the Company.

The Board of Directors is obliged to consider received request for conduct of Extraordinary General Meeting of Shareholders within the period of 5 from the moment of its date lodging. The date of lodging of the request is the confirmed date of the Company's receipt of the written request about the meeting conduct.

Motivated decision of the Board of Directors on the rejection either of inclusion of suggested issue into the Agenda of the General Meeting of Shareholders or fielded candidate for the list of the candidate for election into the certain body of the Company, and also the decision about convocation or refusal of convocation of the Extraordinary General Meeting of Shareholders should be sent by the Corporation Secretary of the Company to the shareholder(s) requested either convocation of the Extraordinary General Meeting of Shareholders, of inclusion of issues into the Agenda of General Meeting of Shareholders or fielding of the candidate into the list of the candidates for election respectively, not later than three days after the date of decision to the addresses specified in the register of stockholders of the Company.

2.6. The decisions of the Board of Directors of the Company about the refusal to convoke of the Extraordinary General Meeting of Shareholders, to include the issue into the Agenda of the General Meeting of Shareholders, or to field the candidate into the list of candidates for election to the certain body of the Company, and also subtraction of the Board of Directors of the Company from making of the decision might be appealed before the court.

2.7. In the case where up to the date expiration of the period of reception of the suggestions for the issues of the General Meeting of Shareholders preparation sufficient number of candidates was not fielded for formation of the certain body, the Board of Directors of the Company would be entitled to include candidates into the list of candidatures in its own discretion.

2.8. The Board of Directors of the Company is entitled on its own initiative to bring any issues for consideration of Annual and/or Extraordinary General Meeting of Shareholders, including the Meeting conducted on the requests of the Company's Auditor, of Check-up Committee of the Company, or of the shareholder(s) of the Company, provided that those issues are within the scope of authority of this body. The Agenda should not be altered after sending of the notifications to the persons having rights to participate in the General Meeting of Shareholders.

### **3. Preparation for conduct of the General Meeting of Shareholders**

3.1. During the preparation for conduct of the General Meeting of Shareholders the Board of Directors of the Company stipulates the following:

- The form of conduct of the General Meeting of Shareholders (either meeting or absentee vote);
- Date, time, place of the General Meeting of Shareholders;
- The time of beginning of the participants of the General Meeting of Shareholders registration;
- Postal address for sending of the voting bulletins, and also the expiration date of reception of voting bulletins;
- The date of filling of the list of persons having the right to take part in the General Meeting of Shareholders;
- The Agenda of the General Meeting of Shareholders;
- Suggestions for the General Meeting of Shareholders about the decisions on individual issues of the Agenda;
- The schedule of shareholders notification about the General Meeting of Shareholders conduct;
- The content and the schedule of producing of the information (materials) concerning to the Agenda to the shareholders and their representatives;
- Formulation and wording of the voting bulletin.

3.2. The shareholders (their representatives) have free access into the premises where the General Meeting of Shareholders would take place. The time of conduct of the General Meeting of Shareholders should not set earlier than 9 a.m. and not later than 10 p.m., Moscow time.

Registration of the participants of the General Meeting of Shareholders is performed on the day of the Meeting conduct.

Voting in the General Meeting of Shareholders is performed using voting bulletins. The company is obliged either to send the voting bulletins or to hand in such voting bulletins to each person named in the list of persons with their signature against receipt, according to the schedule stipulated by existing legislation.

Persons included into the list of persons entitled to take part in voting in the General Meeting of Shareholders (their representatives) have the right either to vote in such meeting or to send filled bulletins to the Company.

The postal address where the shareholders are entitled to send their filled voting bulletins is: Bolshaya Tatarskaya Str. 35, bld. 4 115184 Moscow, the Russian Federation (115184, г. Москва, ул. Большая Татарская, д. 35, стр. 4).

The notices about conduct of the General Meeting of Shareholders should be set to the persons named in the list of persons entitled to take part in the General Meeting of Shareholders using either registered post or personally with their signature against receipt within the terms stipulated by the Articles of Incorporation and the Federal Law on Joint Stock Companies.

3.3. Notifications about conduct of the General Meeting of Shareholders should include the following:

- Full name of the Company;
- Place of the Company location;
- Form of the Meeting conduct;
- Date, place, time of the General Meeting of Shareholders conduct;
- Postal address for sending of filled bulletins;
- Expiration date of voting bulletins reception (for the meetings conducted in absentia);
- Date of filling of the list of persons entitled to participate in General Meeting of Shareholders;
- The Agenda of the General Meeting of Shareholders;
- The time of the participants of the General Meeting of Shareholders registration beginning;
- The order for insight with information (materials) ought to be produced during the preparation for conduct of the General Meeting of Shareholders, and the address(-es) where it would be accessed.

If in the Agenda of the General Meeting of Shareholders it is foreseen consideration of the issues which positive decision causes the right of shareholders to request redemption of their share by the Company, the notification about the General Meeting of Shareholders should contain the following additional information:

- About the possibilities of such right uprising;
- About the price of redemption determined by the Board of Directors basing on the assessment of independent appraiser;
- About the schedule of redemption.

If the Agenda of the General Meeting of Shareholders includes the question about election of the Board of Directors, the notification should contain the following additional information:

- About the power of shareholders owning 2 and more per cent of the share carrying voting rights to field the candidates into membership of the Board of Directors;
- About the time terms stipulated for such suggestions;
- About the address for sending such suggestions.

3.4. In the case where the person recorded in the register of stockholders of the Company is the nominee shareholder, the notification about the General Meeting of Shareholders conduct should be sent to the nominee shareholder's address, provided that the list person does not contain another postal address where the notification about the General Meeting of Shareholders should be sent.

3.5. The shareholders participating in the meeting are provided with the following information about the Agenda:

annual account books including the auditor's report, conclusion of check-up committee of the Company as for the results of checking of annual account books, annual financial statements of the Company, conclusion of check-up committee of the Company on the data of the annual financial statements of the Company authenticity, recommendations of the Board of Directors as for distribution of profit including the amount of dividends per Company's equities and the schedule of their payment and as for the losses of the Company according to the results of fiscal year, information about the candidate(s) to the Board of Directors of the Company, to the Check-up Committee of the Company, information either about presence or about absence of the consents of the candidates for election to the certain bodies of the Company, the draft of amendments and addendums for the Articles of Incorporation of the Company or the draft of new review of the Articles of Incorporation, drafts of the in-house documents of the Company, drafts of the decisions of the General Meeting of Shareholders, the information foreseen by the provisions of paragraph 5 of Article 32.1 of the Federal Law on Joint Stock Companies about shareholder agreements concluded during the year from the date of the last General Meeting of Shareholders, other information stipulated by statutory acts of the Russian Federation defined by the Board of Directors of the Company.

3.6. The shareholders are able to get acquainted with the documents and information about the issues of the Agenda of General Meeting of Shareholders directly in the meeting, and also during the period of 20 days before the General Meeting of Shareholders (and in the case where the Agenda of General Meeting of Shareholders includes the issues of re-organizing of the Company it should be provided not later than 30 days before the General Meeting of Shareholders) on each working day from 9-00 a.m. to 6-00 p.m. at the address: Bolshaya Tatarskaya Str. 35, bld. 4 115184 Moscow, the Russian Federation (115184, г. Москва, ул. Большая Татарская, д. 35, стр. 4).

3.7. The voting bulletin should include the following:

- Names and Surname (denomination) of the shareholder;
- Number of owned shares of the Company carrying voting rights;
- Full firm name of the Company;
- Place of location of the Company;
- Form of the General Meeting of Shareholders conduct;
- Date, time, place of the General Meeting of Shareholders;
- Postal address for sending of filled bulletins;
- Expiration date of voting bulletins reception;
- Wording of the decisions as for each issue (name of each candidate) which voting should be performed using this bulletin;
- Options if voting for each question of the Agenda, worded as " affirmatively ", "negatively" or "abstain";
- Note that the voting bulletin must signed by shareholder;
- Explanation on the order of bulletin filling.

In the case of cumulative voting the bulletin should contain the notification of that and explanation on the order of cumulative voting.

The voting bulletin besides all mentioned above should also contain other details as provided by statutory acts of the Russian Federation, moreover it might contain the additional information as stipulated by the Board of Directors on approval of the formulation and wording of the voting bulletin.

#### **4. Preparation of the List of Persons entitled to vote in the General Meeting of Shareholders**

4.1. List of Persons entitled to vote in the General Meeting of Shareholders is prepared basing on data of register of stockholders of the Company as for certain date stipulated by the Board of directors of the Company according to the requirements of existing legislation of the Russian Federation and of the Articles of Incorporation of the Company.

4.2. List of Persons entitled to vote in the General Meeting of Shareholders includes the shareholders owners of ordinary shares of the Company carrying voting rights (including non-integral ones) – with the right to vote for all issues of the Agenda of General Meeting of Shareholders, and other persons in the cases provided by existing legislation of the Russian Federation.

4.3. Date of filling of the List of Persons entitled to vote in the General Meeting of Shareholders should not be earlier than the date of decision about the General Meeting of Shareholders conduct and later than 50 days before the meeting.

In the case where the Agenda of Extraordinary General Meeting of Shareholders includes the question of election of members of the Board of Directors of the Company, the date of filling of the List of Persons entitled to vote in the General Meeting of Shareholders might not stipulated earlier than the date of decision about the General Meeting of Shareholders conduct and later than 85 days before the date of General Meeting of Shareholders conduct.

4.4. Alterations of the List of Persons entitled to vote in the General Meeting of Shareholders might be made in the cases of restoration of violated rights of the persons which were not included into mentioned List as for the date of filling, or elimination of errors made during its filling only.

4.6. The List of Persons entitled to vote in the General Meeting of Shareholders should be produced for insight at the requests of persons included into this List and owning not less than 1 per cent of shares of the Company carrying voting rights. At that, details of the documents and postal addresses of the persons included into this List would be provided by consent of those persons only.

At the request of any person concerned, the Company is obliged during the period of three days to provide this person either with the extracts from the List of Persons entitled to vote in the General Meeting of Shareholders including the details of this person, or with the reference that this person was not included into the List of Persons entitled to vote in the General Meeting of Shareholders.

#### **5. Rights of shareholder to participate in the General Meeting of Shareholders**

5.1. Shareholder is entitled to participate in the General Meeting of Shareholders either in person or by deputy. Shareholder is entitled at any time to change his representative in the General Meeting of Shareholders and to take part in the General Meeting of Shareholders in person.

5.2. Representative of shareholder in the General Meeting of Shareholders acts in accordance with the authority granted to him on the grounds of federal laws and acts of authorized state bodies, or local authority, or the letter of attorney produced in accordance with the requirements of legislation of the Russian Federation.

Letter of Attorney for participation in voting should contain the details of principal and representative (for natural person - name, personal identification document details (series and (or) number of the document, date and place of issuance, name of the body issued the document), for legal person - denomination, information about place of location). Letter of Attorney for participation in voting should be worded according to the requirements of paragraphs 4 and 5 of Article 185 of the Civil Code of Russian Federation and certified by a notary. Shareholder is entitled to take aside his Letter of Attorney and to participate in the General Meeting of Shareholders in person providing the Counting Board (or the person performing its activity) with his application of withdrawal of the Letter of Attorney in written, at that, he should undergone registration for participation in the General Meeting of Shareholders, and he should be provided with voting bulletins, provided that the notification about change (recall) of his representative was received before the registration of the representative whose authorization was ceased.

5.3. The persons included into the List of Persons entitled to vote in the General Meeting of Shareholders whose rights of shareholders were obtained in order of inheritance or succession during re-organization, or their representatives acting either on the grounds of the Letter of Attorney for voting or by law.

5.4. Registration of persons participating in the General Meeting of Shareholders conducted in the form of meeting is performed by the Counting Board of the company or by the person performing its activity.

Persons entitled to participate in the General Meeting of Shareholders having voted by means of sending to the Company of filled voting bulletins received by the Company not later than two days before the date of General Meeting of Shareholders are entitled to attend the General Meeting of Shareholders but do not pertain to registration.

5.5. During the registration the persons entitled to participate in the General Meeting of Shareholders and arrived for participation in the General Meeting of Shareholders should produce their passports or another personal identification document, the representative of shareholder should produce his Letter of Attorney (besides of the personal identification document), and shareholder's legitimate representatives should produce the documents ascertaining their warrants. Registration of the persons entitled to participate in the General Meeting of Shareholders is performed upon conditions of identification of persons arrived for participation in the General Meeting of Shareholders, by the way of comparison of the data included in the List persons entitled to participate in the General Meeting of Shareholders with the details of documents produced by given persons. Coincidence of series and number of passport produced by shareholder (including specified in Letter of Attorney given to representative), including stamp of a standard pattern containing the information about the series and number of replaced passport is the sufficient condition for identification.

5.6. In the case where shares of the Company are in common participatory share ownership of several persons their voting powers in the General Meeting of Shareholders are exercised by one of those participants of common participatory share ownership selected at their discretion or by their common representative. The powers of each of specified persons should be duly formalized.

Guardians and custodians of legally incapable shareholders having the right to participate in the General Meeting of Shareholders in the case of presence of document confirming their entitlement for guardianship (custodianship).

Manager of the shareholder-company takes part in the General Meeting of Shareholders without Letter of Attorney, on the grounds of documents ascertaining his power as the person entitled to act without letter of attorney on behalf of given organization (i.e. the Articles of Association of the Organization, the protocol, the appointing order, etc.) and of the personal identification documents.

If the shareholder-company undergoes the stage of bankruptcy procedure, the bankruptcy commissioner acts on behalf of such legal entity according to existing legislation of the Russian Federation. The corresponding court's decision about appointment of such bankruptcy commissioner should be produced to the Counting Board (or to the person performing its activity).

Existence of the court's decision or judgment prohibiting the shareholder to vote by his shares does not provide sufficient ground for rejection of registration of such shareholder as the participant of the General Meeting of Shareholders.

5.7. Registration of persons entitled to participate in the General Meeting of Shareholders expires at the moment of declaration of the Chairman of the General Meeting of Shareholders about termination of the discussion of the last issue of the Agenda of General Meeting of Shareholders, where the quorum exists. Shareholders who have arrived after the termination of registration are not allowed to take part in the General Meeting of Shareholders.

5.8. At request of the persons registering for participation in the General Meeting of Shareholders whose voting bulletins were not received by the Company at all, or were received later those two days before the date of General Meeting of Shareholders, they might be provided with voting bulletins with the mark of repeated issuance thereof against their signature.

## **6. Bodies of the General Meeting of Shareholders**

6.1. Working bodies of the General Meeting of Shareholders are:

- Chairman of the General Meeting of Shareholders;
- Secretary of the General Meeting of Shareholders;
- Counting Board.

6.2. The functions of Chairman in the General Meeting of Shareholders are exercised by the Chairman of Board of Directors. In the case of absence of the Chairman of Board of Directors in the General

Meeting of Shareholders the functions of the Chairman are exercised by one of the members of Board of Directors at the discretion of the Board of Directors.

6.3. The Chairman in the General Meeting of Shareholders opens and terminates the General Meeting of Shareholders, announces the Agenda of General Meeting of Shareholders and the priority of speeches and reports according the Agenda, terminates the discussion of issues of the Agenda and starts the counting of votes, recognizes the speeches and answers to the questions of participants of the General Meeting of Shareholders, ensures observance of the schedule of conduct of the General Meeting of Shareholders stipulated by this Regulations, and signs the Minutes of General Meeting of Shareholders.

6.4. The Secretary in the General Meeting of Shareholders prepares and signs the Minutes of General Meeting of Shareholders. The functions of Secretary of the General Meeting of Shareholders are exercised by Corporation Secretary of the Company.

6.5. Registration of the participants of the General Meeting of Shareholders, determination of quorum of the General Meeting of Shareholders, clarifications for shareholders (their representatives) of the schedule of voting, counting of votes, summarizing voting results, and preparation of the Protocol of the voting results are performed by the Counting Board of the Company or by the person executing its activities.

## **7. Quorum of the General Meeting of Shareholders. Repeated General Meeting of Shareholders**

7.1. The General Meeting of Shareholders is legally qualified (has quorum) if the shareholders or their representatives having in the aggregate more than a half of votes of floated shares of the Company carrying voting rights have taken part in it.

The shareholders and their representatives registered for participation in the General Meeting of Shareholders are recognized as persons who have participated in the General Meeting of Shareholders, and also the shareholders whose bulletins were received by the Company if it occurred:

- In the case of the General Meeting of Shareholders conducted in the form of meeting – not later than two days before the date of the General Meeting of Shareholders;
- In the case of the General Meeting of Shareholders conducted in the form absentee vote – not later than the date of termination of the voting bulletins reception.

7.2. Quorum should be determined for each issue of the Agenda of General Meeting of Shareholders. Absence of quorum for making the decisions on the issues voted by one membership of voters does not hinder to make the decision of on another issues voted by another membership of voters in existence of quorum.

In the case where in respect of the shares owned by any shareholder there is the court's prohibition for participation in voting, such shares should be recognized as voting for determination of quorum of the General Meeting of Shareholders.

7.3. The General Meeting of Shareholders conducted in the form of meeting is opened provided that up to the time of its beginning quorum presents for even only one of the issues included into the Agenda of General Meeting of Shareholders.

In the case where to the time of beginning of conduct of the General Meeting of Shareholders there is no quorum for any issue included into the Agenda of General Meeting of Shareholders, the opening of the General Meeting of Shareholders according to the decision of the Chairman might be postponed to for the later time but not more than for 2 hours. Postpone of the opening of the General Meeting of Shareholders for more than one time is forbidden.

7.4. At the absence of quorum for the Annual General Meeting of Shareholders the repeated General Meeting of Shareholders with the same Agenda should be conducted.

7.5. The decision about conduct of repeated General Meeting of Shareholders is made by the Board of Directors.

7.5. The repeated General Meeting of Shareholders is recognized as legally qualified (quorum exists) for the certain issue of the Agenda provided that the shareholders owning in the aggregate not less than 30 per cent of the votes of floated shares of the Company carrying voting rights have taken part in it.

## **8. The schedule of the General Meeting of Shareholders conduct**

8.1. In the stipulated time of opening of the General Meeting of Shareholders, the Chairman of Counting Board or the persons exercising the functions of Counting Board informs the General Meeting of Shareholders about the existence or absence of quorum. The Chairman of General Meeting of Shareholders announce the opening (postponing of beginning) of the meeting.

8.2. The official language of the General Meeting of Shareholders is Russian. If necessary, the materials for the General Meeting of Shareholders are translated into English.

8.3. The Reglament of General Meeting of Shareholders:

8.3.1. The Chairman of Meeting informs the participants of the General Meeting of Shareholders about the order of conduct and it's Reglament.

8.3.2. The participants of the General Meeting of Shareholders are provided with equal opportunity to participate in considering of issues of the Agenda in accordance with the Reglament.

8.3.3. Each report for each issue of the Agenda should take note more than 30 minutes.

8.3.4. Answers to the questions of shareholders might take up to 30 minutes.

## **9. Counting and preparation of the results of voting**

9.1 Voting in the General Meeting of Shareholders is performed according to the principle «one voting share of the Company – one vote», with the following exclusion:

- the execution of cumulative voting in election of the Board of Directors of the Company;
- existence of fractional shares in the Company which provide their owners with part of vote.

Collection of filled and signed bulletins is performed by the members of the Counting Board or by the persons exercising their functions.

If the participant for some reason does not deliver his bulletin during the conduct of voting, he is recognized as the person who has not participated in voting and his votes are excluded during counting of the results of voting.

9.2. Shares owned by the members of the Board of Directors or by the persons holding office in management bodies of the Company might not participate in voting for election of members of the Check-up Committee of the Company.

In the case where the Counting Board or by the persons exercising their functions has received the decision or judgment of court containing the prohibition for the certain shareholder voting by his shares, the bulletin of such shareholder should not be counted during the summarizing of the results of voting.

9.3. During the voting the votes are counted for the issues for which the only option of voting was set amongst possible options of voting. Voting bulletins filled breaching abovementioned requirement should be recognized as void, and the votes according to the questions contained in those bulletins are not counted.

In the case where the voting bulletin contains several questions put to vote, non-observance of abovementioned requirement does not cause the recognition of the voting bulletin void as a whole.

9.4. In the case where the Agenda of the General Meeting of Shareholders contains the questions:

- about re-organization of the Company;
- about the approval of a large deal;
- about making amendments in the Articles of Incorporation of the Company (adoption of revised version of the Articles of Incorporation) restricting the shareholders' rights;
- about floating of shares or issuing securities for further conversion into shares for private offering (excluding the case where such securities are floated according private offering amongst the shareholders only, at that the shareholders are entitled to acquire whole number of floated equities or other securities in proportion to the amount of the shares of respective categories owned by them).

The Counting Board or the person exercising its functions prepares the list of shareholders who did not participate in voting, and also the list of the shareholders who have voted «negative» for such issues of the Agenda of General Meeting of Shareholders.

9.5. On the results of voting the Counting Board or the person exercising its functions prepares the Protocol of the results of voting signed by the members of Counting Board or by the person exercising its functions. The Protocol of the results of voting should be signed not later than 3 (three) working

days after closing of the General Meeting of Shareholders or after the date of termination of acceptance of the bulletins during the General Meeting of Shareholders conduct in form of absentee vote.

9.6. The decisions made by the General Meeting of Shareholders and also the results of voting are announced in the General Meeting of Shareholders during which the voting has taken place, or are reported by the Corporation Secretary to the persons included into the List of Persons entitled to participate in the General Meeting of Shareholders not later than 10 (ten) days after preparation of the Protocol of the results of voting. The report on the results of voting in the General Meeting of Shareholders is signed by the Chairman and the Secretary of the General Meeting of Shareholders. The report on the results of voting is placed in the Internet web-site of the Company.

9.7. The Minutes of General Meeting of Shareholders is prepared not later than 3 (three) working days after closing of the General Meeting of Shareholders in two originals. Both originals are signed by the Chairman and the Secretary of the General Meeting of Shareholders.

The Protocol of the results of voting pertains to filing together with the Minutes of General Meeting of Shareholders.

9.8. The Minutes of General Meetings of Shareholders should be kept for unlimited period of time in the place of location of sole executive body of the Company.

After preparation of the Protocol of the results of voting and signing of the Minutes of General Meetings of Shareholders, voting bulletins and also Letters of Attorney (copies of letters of attorney) for participation in the General Meetings of Shareholders should be sealed by the Counting Board or by the person exercising its functions and be kept in the Company's archive without any limitation of the terms of storage.

The List of Persons entitled to participate in the General Meeting of Shareholders and also other lists prepared by the Company for exercising by shareholders their functions during the preparation and conduct of the General Meetings of Shareholders should be kept for unlimited period of time in the place of location of sole executive body of the Company.

The documents confirming the fact of distribution among the shareholders of the notification about the General Meetings of Shareholders, of voting bulletins, of the reports on the results of voting should be kept during 3 years from the 1 of January of the year next to the year of corresponding distribution.

9.9. At the shareholder's written request the shareholder should be provided with the copy of the Minutes of General Meetings of Shareholders.

9.10. Shareholders are entitled to appeal against the decision made by the General Meetings of Shareholders breaching the requirements of the Federal Law on Joint Stock Companies, of other legal instruments of the Russian Federation, and of the Articles of Incorporation of the Company before the court if the shareholder did not participate in the General Meetings of Shareholders, or has voted against such decision, and mentioned decision has violated his rights and legitimate interests. The application about recognition of the General Meetings of Shareholders decision might be brought before the court during three months from the day when the shareholder became aware about this decision and about the circumstances which have provided the grounds for recognition of mentioned decision void. The period for appeal against the General Meetings of Shareholders decision in the case of its expiration might not be restored with the exclusion of the case where the shareholder has not brought mentioned appeal influenced by coercion or menace.