

Approved by  
Annual General Meeting of Shareholders  
of Kubanenergo PJSC  
Minutes 39 dated 20 June 2017

Chairperson of the meeting

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**REGULATIONS**  
on the General Meeting of Shareholders of  
Public joint stock company of power industry and electrification of Kuban  
(restated)

Krasnodar 2017

## **1. General Provisions**

1.1. The present Regulations have been developed in accordance with the Civil Code of the Russian Federation, the Federal Law “On Joint Stock Companies”, other regulatory legal acts of the Russian Federation and the Charter of Public joint stock company of power industry and electrification of Kuban (hereinafter referred to as the Company) and have established the procedure for preparing and convening of the General meeting of shareholders of the Company (hereinafter referred to as the General meeting of shareholders).

1.2. The General meeting of shareholders is the superior management body of the Company.

1.3. When performing its activities, the General meeting of shareholders is guided by the Russian Federation legislation, the Company’s Charter and these Regulations.

## **2. Convening and Preparation for Holding of the General Meeting of Shareholders**

2.1. Decision on the convening of the General meeting of shareholders shall be taken by the Company’s Board of Directors.

2.2. When preparing for the General meeting of shareholders the Board of Directors shall adopt the following decisions:

- a) on the convening and determination of the form of holding the General meeting of shareholders;
- b) on fixing the date, place and time of holding the General meeting of shareholders, time of registration start concerning the persons participating in the General meeting of shareholders (in case of holding the General meeting of shareholders in the meeting form), or fixing the deadline of filled out voting ballots submission and the postal address at which the filled out voting ballots shall be sent (in case of holding the General meeting of shareholders in the form of an absentee voting), and (if it is provided by the Charter of the Company and if technically possible) the e-mail address where the completed ballots can be sent and (or) the web-site address on the Internet, at which an electronic ballot may be filled in;
- c) on the determination of agenda of the General meeting of shareholders;
- d) on fixing the date of identification (record) of persons entitled to participate in the General Shareholders Meeting;
- e) on determining the deadline for accepting proposals of shareholders on nominating candidates for election to the Board of Directors of the Company, if the agenda of an extraordinary general meeting of shareholders contains the issue of electing members of the Board of Directors of the Company
- f) on the determination of a type (types) of preference shares the owners of which have a voting right on the agenda items of the General meeting of shareholders;
- g) on determining the list of information (materials) to be submitted to the shareholders in the course of preparation for the holding of the General meeting of shareholders, and the procedure of its submission;
- h) on approval of the form and text of voting ballots at the General meeting of shareholders, as well as wording of decisions on the agenda of the General meeting of shareholders, which should be sent electronically (in the form of electronic documents) to nominee shareholders registered in the register of shareholders of the Company;
- i) on fixing the deadline of the voting ballots submission to the persons entitled to participate in the General meeting of shareholders (in case of holding the General meeting of shareholders in the postal form as well as in case of holding the General meeting of shareholders in the meeting form if in accordance with the FL “On Joint Stock Companies” or the Company’s Charter the

voting ballots shall be submitted (given) to persons entitled to participate in the General meeting of shareholders, till the holding of the General meeting of shareholders);

j) on the determination of the procedure for informing the Company's shareholders on the holding of the General meeting of shareholders including the approval of the form and text of the notice;

k) on the election of the Secretary of the General meeting of shareholders;

l) on the approval of the estimate of expenditures connected with the preparation and holding of the General meeting of shareholders.

2.3. The Company's sole executive body shall arrange implementation of decisions of the Company's Board of Directors connected with the preparation and holding of the General meeting of shareholders, including:

- ensuring of timely submission to the Company's Registrar of the demand for the compiling of the list of persons entitled to participate in the General meeting of shareholders as of the date fixed by the Company's Board of Directors;

- ensuring of ballots issue in conformity with the form and wording approved by the Company's Board of Directors;

- ensuring of voting ballots submission to the shareholders and filled out voting ballots receipt, and if the Board of Directors of the Company decides on the possibility of sending completed ballots for voting to the e-mail address and (or) filling out the electronic form of the ballots on the Internet site determined by the Board of Directors, - the functioning of these electronic means for receiving completed ballots for voting;

- ensuring of shareholders informing on the holding of the General meeting of shareholders according to the procedure and terms established by the decision of the Board of Directors and the Company's Charter;

- ensuring of preparation of necessary materials (information) on the agenda items of the General meeting of shareholders and the possibility to become familiar with the aforementioned information (materials) in accordance with the decision of the Board of Directors.

- ensuring the provision by the Company of a list of persons entitled to participate in the General Shareholders Meeting, for acquaintance with it at the request of persons included in this list and possessing not less than one percent of the votes, in accordance with the requirements of the current legislation of the Russian Federation, from the date of its receipt by the Company

- performing of other actions connected with the execution of decisions of the Company's Board of Directors.

### **3. Convening of the Extraordinary General Meeting of Shareholders**

3.1. The Extraordinary General Shareholders Meeting is held by decision of the Board of Directors of the Company on the basis of its own initiative, the requirement of the Audit Commission of the Company, the auditor of the Company or the shareholders of the Company owning not less than 10 (ten) percent of voting shares of the Company, as of the date of the request

3.2. Within 5 (five) days from the date of the request of the Audit Commission of the Company, the Auditor of the Company or the shareholder (shareholders) owning not less than 10 (ten) percent of the voting shares of the Company, the convening of an Extraordinary General Shareholders Meeting of the Company, the Board of Directors of the Company must decide to convene an Extraordinary General Shareholders Meeting of the Company or to refuse to convene it.

3.3. The decision of the Board of Directors of the Company to convene an extraordinary General Shareholders Meeting of the Company or a reasoned decision to refuse its convocation shall be

sent to the persons requesting its convocation no later than 3 (three) days after the date of such decision

#### **4. Information Support of Holding the General Meeting of Shareholders**

4.1. Notification on convening the General Shareholders Meeting shall be posted on the website of the Company on the Internet no later than the expiration of deadline for notification of shareholders on the holding of the General Shareholders Meeting.

The text of the notification on the conduct of the General Shareholders Meeting by the decision of the Board of Directors may be additionally sent electronically to those shareholders of the Company who provided the Company or the registrar of with the e-mail addresses to which such information can be sent.

Information (materials) on the agenda of the General Shareholders Meeting within 20 (twenty) days, and in case of the General Shareholders Meeting, the agenda of which contains the issue of the reorganization of the Company, within 30 (thirty) days before holding of the General Shareholders Meeting shall be available to persons entitled to participate in the General Shareholders Meeting for familiarization in the premises of the executive office of the Company and other places whose addresses are indicated in the notice of the General Shareholders Meeting, and on the website of the Company on the Internet at [www.kubanenergo.ru](http://www.kubanenergo.ru). At the same time, the Company seeks to ensure the availability of materials to the General Meeting of Shareholders not less than 30 days before the date of its holding.

The specified information (materials) should be accessible to persons participating in the General Shareholders Meeting during its holding.

The abovementioned materials are recommended to be also published in English.

4.1.1. The information (materials) submitted to the persons entitled to attend the General Meeting of Shareholders includes the following documents:

- the Company's annual report and the opinion of the Audit Commission of the Company on the results of its audit;
- annual accounting (financial) statements, including the audit report, the opinion of the Audit Commission on the results of the audit of such statements
- justification of the proposed distribution of net profit
- information about the candidate (s) to the Board of Directors of the Company (if submitted) or failure to provide any information by the candidates of the indicated information about the candidates to the Audit Commission of the Company, Company, as well as information on the presence or absence of written consent of nominated candidates for election to the appropriate body of the Company;
- information on the managing organization or the manager, in case of consideration of the issue of transferring the powers of the sole executive body of the Company to the managing organization or the manager (including information on their affiliation with persons controlling the Company)
- information on candidates for auditors of the Company, sufficient to form an idea of their professional qualities and independence, including the name of the self-regulatory organization of auditors of which the candidate for the auditors of the Company is a member, a description of the procedures used to select external auditors that ensure their independence and objectivity, as well as information on the proposed remuneration of external auditors for audit and non-audit services (including information on compensation payments and other benefits related to the engagement of the auditor) and other material terms of contracts concluded with the auditors of the Company
- draft amendments and additions to the Charter of the Company (or a draft of the Company's Charter

in new edition) in the event of their introduction, or in the case of approval, as well as comparative tables of changes introduced with their justification;

- draft internal documents of the Company regulating the activities of the management and control bodies of the Company in a new version (amendments to the internal documents) in case they are made, as well as comparative tables of changes introduced with their justification;
- draft resolutions of the General Meeting of Shareholders;
- information on shareholder agreements concluded within a year before the date of the General Meeting of Shareholders
- conclusions of the Board of Directors of the Company on a major transaction;
- a report on related-party transactions entered into by the company in the reporting year;
- recommendations of the Board of Directors of the Company on the distribution of profits, including the size of dividend on shares of the company and the procedure for its payment, and losses of the Company based on the results of the fiscal year.
- information on the route to the venue of holding the General Meeting of Shareholders;
- the sample form of proxy that the shareholder may issue to its representative and the procedure of its certification;
- information (materials) determined by the legislation of the Russian Federation and the Company Charter.

The list of information (materials) provided to the persons entitled to attend the General Meeting of Shareholders shall be determined taking into account the issues on the agenda of the General Meeting of Shareholders.

The list of information (materials) provided to the persons entitled to attend the General Meeting of Shareholders shall be determined taking into account the issues on the agenda of the General Meeting of Shareholders.

4.2 The minutes of the General Shareholders Meeting are posted on the website of the Company on the Internet not later than 3 (three) days from the date of its compilation.

4.3. When nominating the candidates for the Company's Board of Directors the Company's shareholders shall submit the following information about the nominated candidates:

4.3.1. Family name, Name, Patronymic;

4.3.2. Data of the identity document (series and (or) number of the document, date and place of issue, issuing authority);

4.3.3. Citizenship;

4.3.4. Place of residence (country, city);

4.3.5. Age and Education;

4.3.6. Occupation;

4.3.7. Primary employment;

4.3.8. Positions held by the candidate at the time of nomination, as well as information on positions held for five years preceding the nomination;

4.3.9. Information on the shareholding of the Company and its subsidiaries and dependent companies (the amount of shares owned);

4.3.10. Whether the nominee is a member (candidate for election) of the Board of Directors, a member (candidate for election) of the Collegial Executive Body, other collegial management body or other legal entity;

4.3.11. Whether the nominee is an official of another economic entity, the official body of which is a nominee to the Company's Board of Directors.

4.3.12. Whether the nominee is a spouse, parent, son, daughter, brother, sister of officials (head) of the Company (officials of the Company's managing organization);

4.3.13. Whether the nominee is a party to an obligation with the Company in accordance with the conditions of which the candidate can acquire the property (receive cash resources), the value of which is ten or more percent of the candidate's total income, apart from the receipt of emolument for participation in the activities of the Company's Board of Directors;

4.3.14. Whether the nominee is (will be as a result of election to the Board of Directors) the representative of the state, that is a person who is (will be as a result of election to the Board of Directors) the representative of the Russian Federation or constituent territories of the Russian Federation in the Board of Directors of joint stock companies, in relation to whom the decision about the use of a special right ("golden share") has been taken, and persons who are obliged (will be obliged as a result of election to the Company's Board of Directors) to vote on the basis of written directives (instructions etc.) of a constituent territory of the Russian Federation or municipality;

4.4. The submission by the Company's shareholders of the information specified in items 4.3.2 – 4.3.13 of the Regulations is recommended. The non-representation of such information by the Company's shareholders cannot be the ground for refusal to include a corresponding candidate in the voting list of persons to be elected to the Company's Board of Directors.

4.5. The information about the candidates for the Company's Board of Directors specified in item 4.3 shall be available for the Company's shareholders to become familiar with along with other informational materials on the agenda items of the General meeting of the Company's shareholders.

4.6. The Company's executive bodies during the period before the holding of the General meeting of shareholders shall implement the Company's informational policy in such a way that it aims at electing to the Company's Board of Directors of the candidates that meet the requirements of regulating authorities and the Russian Federation securities market makers.

4.7. In preparation for the General Shareholders Meeting in the form of a joint presence, the Company provides invitations to members of the executive bodies of the Company, members and candidates to the Board of Directors, members and candidates to the Audit Commission of the Company, the Auditor of the Company for participation in the General Shareholders Meeting.

4.8. Shareholders are entitled to apply through the Corporate Secretary to officials of the Company for additional explanations regarding the issues of the agenda of the General Shareholders Meeting. Questions are drawn up in writing and sent to the Company by e-mail: [\\_russuov.kuben.elektra.ru](mailto:_russuov.kuben.elektra.ru).

## **5. Holding of the General Meeting of Shareholders in the Form of a Meeting**

Holding of the General meeting of shareholders in the form of a meeting presupposes the direct participation of the Company's shareholders in the General meeting of shareholders to discuss the agenda items and adopt the decisions on the issues put to the vote.

When conducting the General Shareholders Meeting in the form of a meeting (joint attendance of shareholders to discuss agenda items and make decisions on issues put to a vote), information and communication technologies can be used to allow for possibility of remote participation in the General

Shareholders Meeting, discussing the agenda items and taking decisions on issues put to vote, without attendance at the venue of the General Meeting of Shareholders.

## **5.1. Registration of Persons Entitled to Participate in the General Meeting of Shareholders.**

5.1.1. Registration of persons entitled to participate in the General meeting of shareholders shall be performed by the person performing the functions of the counting commission (hereinafter referred to as the Counting Commission), at the place of holding the General meeting of shareholders specified in the notice of meeting holding. In the event that this is stipulated in the notice of the meeting holding, the shareholders also have the right to register for participation in it on the Internet site specified in the notice.

Registration of persons entitled to participate in the General meeting of shareholders shall start at the time specified in the notice of meeting holding.

5.1.2. The persons (their representatives) entitled to participate in the General meeting of shareholders shall be subject to registration for participation in the General meeting of shareholders to be held in the form of a meeting.

In case voting on the agenda of the General Shareholders Meeting, held in the form of a meeting, can be carried out by sending completed voting ballots to the Company and (or) filling out an electronic form of ballots on the Internet web-site on the address indicated in the notice of the conduct of the General Shareholders Meeting (if such possibility is provided by the decision of the Board of Directors), registration for participation in the General Shareholders Meeting shall be made by the persons whose ballots are received or the electronic form of the ballots is filled, not later than two days before the date of the General Shareholders Meeting.

Those who participated in the General Shareholders Meeting are also shareholders who, in accordance with the rules of the securities legislation of the Russian Federation, gave to persons registering their rights to shares instructions on voting, if messages of their will have been received no later than two days before the date of the General Shareholders Meeting.

5.1.3. During the registration a shareholder (the representative, legal successor) who came to the General meeting of shareholders shall show the passport or any other identifying document.

Representatives of shareholders when registering for participation in the General Meeting of Shareholders in addition to identity documents, shall submit to the Audit Commission a voting proxy issued in accordance with the requirements of the Civil Code of the Russian Federation and the Federal Law "On Joint-Stock Companies" or a certified copy.

If for participation in the General Meeting a sole executive body (natural person) is registered as a representative of the shareholder, which is a legal entity registered, then this natural person, in addition to the identification documents of the sole executive body shall submit to the Audit Committee a certified by the shareholder - legal entity a copy of the minutes of meeting (extract from the minutes) of the authorized body, containing the decision to appoint the current sole executive body as a representative.

Successors of shareholders at the registration for the General Meeting of Shareholders in addition to identity documents, shall submit to the Audit Commission copies of the documents confirming the succession.

If the aforementioned documents have not been submitted the legal successor as well as the shareholder's representative shall not be entitled to participate in the General meeting of shareholders.

5.1.4. The registration of persons entitled to participate in the General meeting of shareholders shall be performed on conditions that the identification of persons who have come to participate in the General meeting of shareholders has been fulfilled by comparing the data contained in the

list of persons entitled to participate in the General meeting of shareholders with the data of documents shown by the aforementioned persons.

5.1.5. Upon registration a person participating in the General meeting of shareholders shall receive the voting ballots on the agenda items.

If the voting at the General meeting of shareholders can be performed by submission to the Company of filled out voting ballots, at the request of persons, included in the list of persons entitled to participate in such in the General Shareholders Meeting, they are issued voting ballots with a note about their reissue.

5.1.6. The registration of persons entitled to participate in the General meeting of shareholders is considered to be terminated when the Chairperson at the General meeting of shareholders announces the termination of discussion of the last agenda item of the General meeting of the Company's shareholders that has a quorum.

## **5.2. Opening of the General meeting of shareholders.**

5.2.1. The representative of the Counting Commission at the time that is the commencement time of holding the General meeting of shareholders in accordance with the notice of holding the General meeting of shareholders, shall announce the presence of the quorum on the agenda items of the General meeting of shareholders.

5.2.2. The General meeting of shareholders is considered to be authorized (has a quorum) if the shareholders possessing in aggregate more than half of votes of the Company's placed voting shares have participated in it.

In the event that the agenda of the General meeting of shareholders includes the issues the voting on which is performed by different voters the quorum necessary to take decisions on these items shall be determined separately.

At the same time the absence of a quorum necessary to take decisions on the items the voting on which is performed by one composition of voters shall not prevent from taking a decision on the items the voting on which is performed by the other composition of voters that has the quorum to be adopted.

5.2.3. If the quorum is present on at least one of the items included in the agenda of the General meeting of the Company's shareholders, the Chairperson at the General meeting of shareholders announces the opening of the General meeting of shareholders.

5.2.4. The general meeting that has had the quorum only on separate agenda items by the moment of hereof opening cannot be closed if by the moment of registration termination, the persons the registration of whom ensures the quorum necessary to adopt the decisions on other agenda items of the General meeting have been registered.

5.2.5. If by the time of start of the General meeting of shareholders the quorum is absent on all the items included in the agenda of the General meeting of shareholders of the Company, the Chairperson at the General meeting of shareholders announces that the opening of the General meeting of shareholders is carried over by 2 (two) hours.

It is not allowed to carry over the opening of the General meeting of shareholders more than once.

If in 2 (two) hours after the announcement of the carrying over of the opening of the General shareholders' meeting the persons ensuring the quorum on at least one of the items included in the agenda of the General meeting of shareholders have not been registered, the Chairperson at the General meeting of shareholders shall announce that the General meeting of shareholders has not taken place.

If in 2 (two) hours after the announcement of the carrying over of the opening of the General

shareholders' meeting the persons ensuring the quorum on at least one of the items included in the agenda of the General meeting of shareholders have been registered, the Chairperson at the General meeting of shareholders shall announce the opening of the General meeting of shareholders.

5.2.6. If the quorum necessary to hold the annual General meeting of shareholders is absent, the recurring General meeting of shareholders with the same agenda shall be held.

If the quorum necessary to hold the extraordinary General meeting of shareholders is absent, the recurring General meeting of shareholders with the same agenda can be held.

### **5.3. Discussing of agenda items of the General meeting of shareholders.**

5.3.1. Persons speaking at the General meeting of shareholders shall keep within the following time limit on speeches:

report on the agenda items – no more than 30 minutes,

joint report – no more than 20 minutes,

closing arguments – no more than 5 minutes,

speeches containing questions, references – 2 minutes for each question, reference.

The Chairperson at the General meeting of shareholders shall be authorized to increase the terms specified in the present item.

5.3.2. A shareholder willing to take part in a debate on the agenda items of the General meeting of shareholders shall submit a corresponding written request to the Secretary of the General meeting of shareholders.

A request shall contain a family name, name, patronymic (name) of a shareholder (the representative), the agenda item on which the shareholder wants to speak and shall be signed by the shareholder.

The item shall be submitted in writing to the Secretary of the General meeting of shareholders; besides the wording of a question to be asked a shareholder (shareholder's representative) shall state a family name, name, patronymic (name of a shareholder – an artificial person), and shall be signed by the shareholder.

5.3.3. The Secretary of the General meeting of shareholders shall refer the requests and questions received from the shareholders to the Chairperson presiding over the General meeting of shareholders.

If by the moment of opening of the General meeting of shareholders the quorum is present only on separate agenda items, upon the termination of discussion of the last item from the specified ones the representative of the Counting Commission or of any other person performing the duties of the Counting Commission shall announce that the quorum is presence/absence on other agenda items.

5.3.4. If the discussion of all the agenda items of the General meeting of shareholders that have a quorum has been terminated, the Chairperson presiding over the General meeting of shareholders shall announce that the discussion of the agenda items and registration of persons participating in the General meeting of shareholders have been terminated.

### **5.4. Voting at the General meeting of shareholders.**

5.4.1. Voting at the General meeting of shareholders to be held in the form of joint attendance shall be carried out according to the procedure stipulated by the Federal Law "On Joint Stock Companies", other regulatory legal acts and the Company's Charter, the present Regulations.

5.4.2. Voting on the agenda items of the general meeting shall be carried out by the voting ballots.

The receipt by the Company's registrar of information on the will of persons entitled to participate in the General Meeting of Shareholders not registered in the register of shareholders of the Company and in accordance with the legislation of the Russian Federation on securities, accounting their rights to shares, gave instructions on voting, is equal to voting by ballots.

5.4.3. Persons registered for participation at the General meeting of shareholders, held in the form of meeting shall be entitled to vote on all the agenda items immediately upon the opening of the General meeting of shareholders and till the moment of vote count beginning.

5.4.4. When the discussion of the last agenda item of the General meeting of shareholders (the last item that has a quorum) is closed, the persons who have not voted by this moment shall have 30 (thirty) minutes to vote.

The persons that have filled in the voting ballots, shall be entitled prior to the closing of the General Meeting of Shareholders to require from the counting commission (representatives of the registrar that the Counting Committee) the issue of a certified copy of their ballot by submitting a written request. If it is technically possible to produce and certify a copy of the completed ballot during the General Meeting of Shareholders the certified copy of the completed ballots shall be transferred to the person before the closing of the General Shareholders' Meeting, in the absence of such technical capability – within a reasonable time after the close of the General Meeting of Shareholders. Copies of ballots are made at the expense of the Company

5.4.5. When the afore-stated time has run out, the Chairperson shall announce the vote count beginning.

#### **5.5. Summarizing, announcing of voting results on agenda items of the General meeting of shareholders. Closing of the General meeting of shareholders.**

5.5.1. Counting of votes and summarizing of voting results on the agenda items of the General meeting of shareholders shall be performed by the Counting Commission in accordance with the requirements of the current legislation.

5.5.2. Decisions taken by the general meeting of shareholders and the voting results can be announced at the general meeting of shareholders, where the voting took place, and should be communicated to the persons included in the list of persons entitled to attend the general meeting of shareholders in the form of a report on the results of voting in the manner prescribed for the notification on the general meeting of shareholders no later than four working days after the closing date of the general meeting of shareholders or the deadline for receipt of voting ballots during the general meeting of shareholders in the form of absentee voting.

In the event that as of the date of determination (record) of persons entitled to participate in the General Shareholders Meeting registered in the register of shareholders of the Company, the person was a nominal holder of shares, the information contained in the Voting Report is provided to the nominal shareholder in accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to persons exercising rights in securities

5.5.3. After the announcement of the voting results on the agenda items of the General meeting of shareholders, in case they have been announced at the General meeting of shareholders, the Chairperson shall announce the closing of the General meeting of shareholders.

#### **6. Holding of the General Meeting in the Form of Absentee Vote**

6.1. Voting on the agenda items of the General meeting of shareholders held in the form of absentee vote shall be conducted with the use of voting ballots.

The receipt by the Company's registrar of information on the willingness of persons entitled to participate in the General Meeting of Shareholders not registered in the register of shareholders of the Company and in accordance with the legislation of the Russian Federation on securities, accounting their rights to

shares, gave instructions on voting, is equal to voting by ballots

6.2. Those who participated in the General Shareholders Meeting, held in the form of absentee voting, are considered to be the shareholders whose ballots have been received and (or) the electronic form of the ballots has been filled out on the website specified in the notice on the General Shareholders Meeting holding on the Internet (if such possibility was provided by the decision of the Board of Directors of the Company) before the deadline for the acceptance of ballots by the Company specified in them, as well as shareholders who, in accordance with the rules of the securities legislation of the Russian Federation, gave persons, accounting their rights to shares, instructions on voting, if messages on their expression of will have been received before the deadline for the receipt of ballots.

If the date of termination of the filled out voting ballots submission is a nonworking day, the date of termination of the filled out voting ballots submission shall be a working day following it.

The term of voting ballots receipt expires on the day of termination of voting ballots receipt at the hour when a working day finishes in the Company in accordance with the established rules.

6.3. The filled out voting ballots can be submitted to the Company by registered letter, be given under signed receipt to a person performing the duties of the Company's sole executive body, to a person authorized to receive correspondence addressed to the Company and be submitted to the Registrar of the Company or to an e-mail address determined by a decision of the Board of Directors of the Company in preparation for the General Shareholders Meeting. If an appropriate decision is taken by the Board of Directors of the Company, an electronic form of voting ballots can also be filled in on the Internet web-site, determined by the relevant decision of the Board of Directors of the Company and indicated in the notification on the General Shareholders Meeting.

6.4. A person performing the functions of the Company's sole executive body shall organize the collection, safekeeping and submission of filled out voting ballots to the Counting Commission.

6.5. A shareholder – a natural person shall state the family name and initials when filling out the ballots; a shareholder – an artificial person shall state the full company name of the legal entity.

6.6. A representative of a shareholder – of a natural person shall state the family name and initials as well as the requisites for the power of attorney (or other document confirming the powers); A representative of a shareholder - an artificial person shall specify the family name and initials as well as the position or the requisites for the power of attorney (or other document confirming the powers).

6.7. A shareholder's representative shall enclose to the voting ballot the power of attorney (hereof notarially certified copy) or other document on the basis of which a person acts.

6.8. The General meeting of shareholders held in the form of absentee vote shall be authorized (has a quorum), if the ballots of shareholders possessing more than a half of votes of the Company's placed voting shares have been received no later than the deadline for the voting ballots submission to the Company.

6.9 Decisions taken by the general meeting of shareholders and the voting results can be announced at the general meeting of shareholders, where the voting took place, and should be communicated to the persons included in the list of persons entitled to attend the general meeting of shareholders in the form of a report on the results of voting in the manner prescribed for the notification on the general meeting of shareholders no later than four working days after the closing date of the general meeting of shareholders or the deadline for receipt of voting ballots during the general meeting of shareholders in the form of absentee voting.

If as of the date of determination (record) of persons entitled to participate in the General Shareholders Meeting registered in the register of shareholders of the Company, the person was a nominal holder of shares, the information contained in the Voting Report is provided to the nominal shareholder in

accordance with the rules of the legislation of the Russian Federation on securities to provide information and materials to persons exercising rights in securities.

## **7. Working Bodies of the General Meeting of the Company's Shareholders**

7.1. The working bodies of the General meeting of shareholders shall be as follows:

- a) The Chairperson of the General meeting of shareholders;
- b) The Counting Commission;
- c) The Secretary of the General meeting of shareholders.

7.2. The duties of the Chairperson at the General meeting of shareholders shall be performed by the Chairman of the Board of Directors.

If the Chairman of the Board of Directors is absent at the General meeting of shareholders the duties of the Chairperson at the General meeting of shareholders shall be performed by the Deputy Chairman of the Board of Directors.

If both the Chairman of the Board of Directors and the Deputy Chairman are absent the duties of the Chairperson at the General meeting of shareholders by a decision of the Board of Directors members who are present at the General meeting of shareholders can be performed by any member of the Board of Directors.

7.3. The Chairperson at the General meeting of shareholders shall open and close the meeting, announce the agenda of the General meeting and the sequence of speeches and reports on the agenda items, the termination of agenda items discussion and vote count beginning, ensure the observance of the procedure for meeting holding established by the present Regulations, sign the minutes of the General meeting of shareholders.

7.4. The functions of the Company's Counting Commission at the General meeting shall be performed by a professional participant of a securities market, who has a license to carry out activities to maintain the register, who is a holder of the register of the Company's shareholders (the Company's Registrar).

7.5. The Counting Commission shall perform the following functions:

- a) checking of the powers and registering of the persons participating in the General meeting of shareholders (shareholders, the representatives);
- b) determining whether the quorum of the General meeting of shareholders is present;
- c) clarifying of the issues arising in connection with the exercise of the voting right by the Company's shareholders (the representatives) at the General meeting of shareholders;
- d) clarifying of the voting procedure concerning the items put to the vote;
- e) ensuring of the established voting procedure and the rights of the Company's shareholders for participation in voting;
- f) counting of votes and summarizing of the voting results;
- g) drawing up of the minutes on the voting results;
- h) bringing of the voting results to the notice of the Company's shareholders;
- i) transferring of the voting ballots to the archives;
- j) other functions stipulated by the Russian Federation legislation, the Company's Charter and the contract concluded between the Company and the Registrar.

7.6. The Functions of the Secretary of the General Shareholders Meeting shall be exercised by the Company's Corporate Secretary if no other decision was taken by the Board of Directors of the Company.

If the Corporate Secretary of the Company cannot fulfill their functions, the Secretary of the General Shareholders Meeting shall be elected by the Board of Directors to decide the items concerning the preparation to the General Shareholders Meeting.

7.7. The Secretary of the General meeting of shareholders shall perform the following duties:

- a) accepting of applications of persons participating in the General meeting of shareholders on the granting of rights for taking part in a debate on the agenda items of the meeting as well as receiving of issues;
- b) submitting of applications and issues received from the shareholders to the Chairman of the General meeting of shareholders;
- c) making a formal record of the course of holding of the General meeting of shareholders (basic provisions of speeches and reports);
- d) other duties specified in the present Regulations and the Company's Charter.

### **8. Financial Provision for Holding the General Meeting of the Company's Shareholders**

8.1. Expenses connected with the preparation and holding of the General meeting of shareholders shall be covered by the Company's funds in accordance with the estimate of expenditures approved by the Board of Directors and shall be included in the Company's budget.

8.2. The General Director shall file the report on expenditures connected with the preparation and holding of the General meeting of shareholders to the Board of Directors within two months after the holding of the General meeting of shareholders.

8.3. If the extraordinary General meeting of shareholders is held by persons demanding to convene it, the expenses on hereof preparation and holding shall be covered by these persons.

By decision of the General meeting of shareholders the documentarily confirmed expenses of the aforementioned persons on the preparation and holding of the General meeting of shareholders can be reimbursed by the Company's funds.

### **9. Final Provisions**

9.1. If as a result of alteration of the legislation and regulatory documents of the Russian Federation some clauses of the present Regulations contradict it, these clauses become invalid and till the moment of introduction of alterations to the present Regulations the Company shall be guided by the legislation and regulatory documents of the Russian Federation.