

**APPROVED**

the General Meeting of Shareholders  
of JSC Gazprom Neft

Minutes No. \_\_\_\_\_

**dated** \_\_\_\_\_, **200**\_\_

**CHARTER**  
**OF OPEN JOINT-STOCK COMPANY**  
**Gazprom Neft**  
**(new edition)**

**2007**

## Article 1. General Provisions

1.1 Open joint-stock company «Sibirskaya neftyanaya kompaniya» (abbreviated name – JSC Sibneft) is established on October 6, 1995 (Certificate of state registration dated October 6, 1995, No. 38606450, issued by municipal registration chamber of Omsk) in accordance with:

- the Decree of the President of the Russian Federation dated November 17, 1992, No. 1403, “On features of national enterprises, production and research-and-production associations of oil industry, oil-processing industry, and oil-products provision privatization and reorganization into joint-stock companies”;

- the Decree of the President of the Russian Federation dated August 24, 1995, No. 872, “On establishment of open joint-stock company ‘Sibirskaya neftyanaya kompaniya’”

- the regulation of the Government of the Russian Federation dated September 29, 1995, No. 972, “On formation of open joint-stock company ‘Sibirskaya neftyanaya kompaniya’”.

1.2. The Company is the legal successor of the following associated economic companies:

- 1) Olivesta Limited Liability Company (excluded from the republican register by the Decree of the State Committee of the Kalmyk Republic on affairs of registration of business activity subjects dated August 24, 2001, No. 1563);

- 2) Vester Limited Liability Company (excluded from the republican register by the Decree of the State Committee of the Kalmyk Republic on affairs of registration of business activity subjects dated August 24, 2001, No. 1562);

- 3) Terra Limited Liability Company (excluded from the state register by the Decree of Municipal Administration of Anadyr dated December 14, 2001, No. 594);

- 4) Argus Limited Liability Company (state registration of legal entity in connection with activity termination by means of reorganization in the form of consolidation (Certificate of entry to the Unified State Register of Legal Entities dated September 23, 2002, GRN 2028700587177);

- 5) Antarex Limited Liability Company (state registration of legal entity in connection with activity termination by means of reorganization in the form of consolidation (Certificate of entry to the Unified State Register of Legal Entities dated December 26, 2002, GRN 2028700589718);

- 6) Unicar Limited Liability Company (state registration of legal entity in connection with activity termination by means of reorganization in the form of consolidation (Certificate of entry to the Unified State Register of Legal Entities dated March 27, 2003, GRN 2038700041180);

- 7) Kretans Holding Limited Liability Company (state registration of legal entity in connection with activity termination by means of reorganization in the

form of consolidation (Certificate of entry to the Unified State Register of Legal Entities dated June 24, 2003, GRN 2038700042181);

8) Rubikon Limited Liability Company (state registration of legal entity in connection with activity termination by means of reorganization in the form of consolidation (Certificate of entry to the Unified State Register of Legal Entities dated September 30, 2003, GRN 2038700042632);

9) Orion Ltd Limited Liability Company (state registration of legal entity in connection with activity termination by means of reorganization in the form of consolidation (Certificate of entry to the Unified State Register of Legal Entities dated November 22, 2004, GRN 2045536000035).

1.3. By the decision of extraordinary General Meeting Shareholders of JSC Sibneft (Minutes No. 39 dated May 18, 2006) JSC Sibneft was renamed to JSC Gazprom Neft (hereinafter – the Company) (entry to the Unified State Register of Legal Entities dated June 1, 2006, series 55 No. 002790652, issued by Inspectorate of the Federal Taxation Service No. 1 for Central Administrative District of Omsk).

1.4. Legal status of the Company, rights and obligations of its shareholders are fixed by this Charter in accordance with the Civil Code of the Russian Federation and the Federal Law “On joint-stock companies”.

1.5. Activity period of the Company is unlimited.

## **Article 2. Firm Name and Location of the Company**

2.1. Firm name of the Company in Russian:

- full – Открытое акционерное общество «Газпром нефть»;
- abbreviated - ОАО «Газпром нефть».

2.2. Firm name of the Company in English:

- full – Joint Stock Company Gazprom Neft;
- abbreviated - JSC Gazprom Neft.

2.3. Location of the Company:

5A, Galernaya Str., Saint Petersburg, 190000 Russian Federation.

## **Article 3. Legal Status of the Company**

3.1. The Company is a legal entity from the moment of its state registration and it possesses isolated property accounted on its independent balance. On its own behalf the Company can buy and exercise property and personal non-property rights, perform duties, be plaintiff and defendant in court.

3.2. The Company has civil rights and carries out obligations necessary for realization of any activity forms not prohibited by the federal laws.

The Company can perform individual forms of activity, the list of which is determined by the federal laws, only on the basis of special permit (license).

3.3. The Company is a subsidiary of JSC Gazprom. As the parent company JSC Gazprom has rights to give instructions binding on the Company.

The Company shall not be liable for debts of the parent company.

3.4. The Company is an open joint-stock company.

3.5. Shareholders shall not be liable for obligations of the Company and carry risk of losses connected with the Company activity within the value of their shares.

3.6. Shareholders who have partly paid for shares bear joint responsibility for obligations of the Company within the limits of unpaid part of their shares value.

3.7. Shareholders of the Company can be individuals and legal entities.

3.8. In accordance with the legislation the Company opens settlement accounts and other accounts with the banks in Russia and abroad, in rubles and foreign currency.

3.9. The Company is the owner of the property passed to it by shareholders as the payment for shares.

3.10. In accordance with established procedure the Company has the right to take part in formation of other organizations on the territory of the Russian Federation and abroad, buy stocks (shares) in charter capitals of these organizations, buildings, constructions, land, right of natural resources enjoyment, securities, and any other property that can be property in accordance with the legislation of the Russian Federation.

3.11. The Company keeps accounting, statistical, and tax records in compliance with the legislation of the Russian Federation.

3.12. The Company has a round seal with its full firm name in Russian and location information on it, stamps and forms with its name, its own emblem. The Company has also the right to possess a trade mark registered in accordance with the established procedure, and other means of visual identification.

#### **Article 4. Liability of Company**

4.1. The Company shall not be liable for obligations of its shareholders.

4.2. The Company is liable for its obligations with all its property.

4.3. The State and its bodies shall not be liable for Company obligations, as well as the Company shall not be liable for obligations of the State and its bodies.

#### **Article 5. Branches and Representative Offices, Associated and Dependent Companies**

5.1. The Company can establish branches and open representative offices both on the territory of the Russian Federation and abroad.

5.2. Branches and representative offices of the Company implement activities on behalf of the Company. The Company is liable for the activity of branches and representative offices. Heads of branches and representative offices work on the basis of the power of attorney issued by the Company.

5.3. The Company has branches:

- 1) Moscow branch of JSC Gazprom Neft in Moscow;
- 2) Noyabrsk branch of JSC Gazprom Neft in Noyabrsk located in Yamal-Nenezky Autonomous Area of the Russian Federation.

5.4. The Company has Yamal representative office of JSC Gazprom Neft in Salekhard located in Yamal-Nenezky autonomous area of the Russian Federation.

5.5. The Company can have associated and dependent companies with rights of legal entities both on the territory of the Russian Federation and abroad.

5.6. Formation of associated and dependent companies, opening of branches and representative offices beyond the bounds of the Russian Federation by the Company is realized in accordance with the legislation of foreign state of location of associated and dependent companies, branches and representative offices, if otherwise is not provided by the international treaty of the Russian Federation.

## **Article 6. Main Objectives and Lines of Activity of the Company**

6.1. The objective of the Company activity is profit earning.

The Company can carry out any types of activity not prohibited by the existing legislation of the Russian Federation.

6.2. The main lines of the Company's activities are:

- 1) prospecting of oil, gas and other fields;
- 2) production, transportation, and processing of oil, gas and other minerals;
- 3) storage of oil, gas, oil and other products of hydrocarbon and other resources;
- 4) manufacture of oil, petrochemical and other products;
- 5) supply and sale of oil, oil products, other products of hydrocarbon and other resources processing (including sale to population and export sale);
- 6) execution of orders for federal needs and regional consumers of products manufactured by the Company and its associated companies;
- 7) advertising and publishing activities, conducting of exhibitions, exhibition-sales, auctions, etc.;
- 8) conducting of exploring, geophysical, and prospecting work with the purpose of oil, gas, and other minerals fields discovery;
- 9) use of methods of strata oil-recovery increase and intensification of oil extraction;
- 10) working out of project documentation at the stage of technical and economic suggestions on construction, reconstruction, expansion, and technical re-equipment of objects and works of oil and gas extraction;
- 11) construction and operation of sites for oil and gas extraction, preparation, transportation, and processing, and also objects of geophysical and prospecting lines;

- 12) construction and operation of industrial explosive and mining works, trunk oil-, gas-, and products pipelines, lifting constructions, and also working under pressure boilers, containers, and pipelines;
- 13) construction of all-purpose wells;
- 14) manufacturing of building materials and constructions;
- 15) rendering of engineering services (design, technological, and building engineering);
- 16) working out of tender documentation for contract tenders;
- 17) topographical-geodetical, cartographical and mine-surveyor works;
- 18) development operations connected with prospecting, processing, and reclaiming of sand-gravel pits;
- 19) development operations connected with allotment of grounds for construction and drawing up of wood purchasing certificates;
- 20) rendering relay and telephone communication services, building of communication lines and teleautomatics;
- 21) manufacture, mounting, and maintenance of drilling, oil-gas mining, prospecting, explosion-proof electrical equipment, tools and inspection systems, disaster protection and warning systems, lifting constructions, and also working under pressure boilers, containers, and pipelines;
- 22) execution of specialized mounting operations of all means of automation, teleautomatics, communication, control and their starting-up and adjustment;
- 23) operation of communication facilities, engineering networks, power lines, power substations, electrical equipment, heat-water supply and drainage systems;
- 24) operation of engineering systems, improvement of territory, maintenance of available housing, objects of social and cultural sphere and uninhabited premises, provision with electrical and thermal energy and water, maintenance of road-bridge services;
- 25) building and operation of objects of hotel, housing and communal services;
- 26) activity connected with use of information which presents the State secret and also protection of the Company's information which presents the trade secret and other confidential information;
- 27) organization and conducting preparedness activity and impressment, military registration, reservation of citizens being in the reserve and working at the Company, civil defense, prevention and liquidation of emergencies at the works of the Company in compliance with the legislation of the Russian Federation;
- 28) guarding of the Company sites and property including those that are on the balance of the Company's branches and representative offices;
- 29) realization of activity aiming at ensuring economic and information security of the Company, its branches and representative offices.

6.3. The Company can also realize any other forms of activity not prohibited by the federal laws.

### **Article 7. Charter Capital of the Company and Declared Shares**

7.1. Charter capital of the Company amounts to 7,586,079.4224 (Seven million five hundred and eighty-six thousand and seventy-nine point four thousand two hundred and twenty-four ten thousandth) rubles and includes 4,741,299,639 (four billion seven hundred and forty-one million two hundred and ninety-nine thousand six hundred and thirty-nine) ordinary nominal shares with nominal value of 0.0016 (zero point sixteen ten thousandth) ruble each.

7.2. The Company has issued and placed ordinary nominal uncertified shares that are voting when settling all issues on the General Meeting of Shareholders of the Company and have equal nominal value regardless of their issue time.

7.3. Payment of the Company shares can be done with money, securities, other things, property rights or other rights with pecuniary value.

7.4. Extra shares are placed by the Company under the condition of full payment for them.

7.5. When paying for extra shares by non-monetary means, pecuniary valuation of property being paid for shares is carried out by the Board of Directors of the Company in accordance with article 77 of the Federal Law "On joint-stock companies".

7.6. If required charter capital of the Company can be:

- increased by means of increasing nominal value of shares or distribution of extra shares;

- decreased by means of decreasing nominal value of shares or reduction of their total amount including acquisition and redemption of some part of shares.

7.7. Decision of increasing charter capital of the Company by means of nominal value of shares increase is adopted by the General Meeting of Shareholders by a majority vote of shareholders taking part in the meeting.

7.8. Extra shares can be placed by the Company only within the amount of declared shares fixed by the Charter of the Company.

Decision to increase charter capital of the Company by means of extra shares placement is adopted by the Company's Board of Directors if solution of this issue is not referred to the competence of the General Meeting of Shareholders by the Federal Law "On joint-stock companies". Such a decision is adopted unanimously by all members of the Board of Directors at the same time votes of retired members of the Company Board of Directors are not considered.

7.9. Decision to decrease charter capital of the Company and make alternations in the Charter of the Company is adopted by the General Meeting of Shareholders with observance of articles 29 and 30 of the Federal Law "On joint-stock companies".

## **Article 8. Bonds and Other Issued Securities of the Company**

8.1. The Company has the right to place bonds and other issued securities stipulated by the legal instruments of the Russian Federation on securities.

8.2. Placement of bonds and other issued securities by the Company is implemented in compliance with the decision of the Board of Directors except when securities are placed according to the decision of the General Meeting of Shareholders according to article 39 of the Federal Law “On joint-stock companies”.

8.3. Bond identifies the right of its holder to demand redemption of bonds (payment of bond nominal value or nominal value and interest) within the fixed period.

Form, terms, and other conditions of bonds redemption must be determined in the decision on bonds issue.

## **Article 9. Rights and Duties of the Company’s shareholders**

9.1. Shareholders, the proprietors of the Company ordinary shares, possess a right:

- take part in the General Meeting of Shareholders with the vote on all issues within its competence;
- receive dividends
- get a part of the Company property left after settlement with creditors in case of the Company’s liquidation;
- take a part in management of the Company in the course stipulated by the existing legislation of the Russian Federation;
- get information on the Company activity including accounting information, other documents in the course stipulated by the existing legislation of the Russian Federation and this Charter;
- dispose of shares (part of shares) in favor of one or several shareholders and/or the Company and other legal entities or individuals without consent of other shareholders or the Company.

9.2. Shareholder (-s) possessing in total no less than 10 percents of voting shares of the Company has the right to demand conducting of individual audits of the Company activity by independent auditors.

9.3. Shareholders of the Company shall:

- observe this Charter;
- pay for the Company’s shares in the course stipulated by the Federal Law “On joint-stock companies” and this Charter;
- not disclose confidential information on the Company’s activity;
- inform the Company on their interest in a transaction in cases stipulated by the existing legislation of the Russian Federation;

## **Article 10. Funds and Net Assets of the Company**

10.1. Reserve fund is formed in the Company in the amount of 5 percents of the charter capital by the means of compulsory annual deductions at the rate of no less than 5 percents from net profit of the Company to achieve the amount mentioned above.

10.2. Reserve fund is intended for covering losses of the Company and for redemption of the Company's bonds and payment of the Company's shares in case of absence of other means. Reserve fund cannot be used for other purposes.

10.3. According to the decision of the General Meeting of Shareholders other funds can be formed in the Company.

10.4. Cost of net assets of the Company is evaluated according to accounting information in the course stipulated by Ministry of Finance of the Russian Federation and federal executive authority for securities market.

10.5. If on completion of the second and every subsequent fiscal year value of net assets of the Company is less than its charter capital in accordance with annual accounting balance sheet proposed for the approval by the General Meeting of Shareholders of the Company or results of audit, the Company shall declare its charter capital decrease to amount not exceeding the value of its net assets.

10.6. If on completion of the second and every subsequent fiscal year value of net assets of the Company is less than amount of minimum charter capital fixed by the Federal Law "On joint-stock companies" in accordance with annual accounting balance sheet proposed for approval by the General Meeting of Shareholders of the Company or results of audit, the Company shall make a decision on its liquidation.

## **Article 11. The Company's Profit and its Distribution**

11.1. Profit left in the Company after compulsory settlements determined by the legislation (net profit) comes to its disposal.

11.2. Net profit of the Company is applied to dividends payment, supplement of reserve and other funds of the Company, other purposes connected with the Company activity.

## **Article 12. Dividends of the Company**

12.1. According to the results of the first quarter, half year, nine months of fiscal year and (or) results of fiscal year the Company has the right to make decisions (declare) on payment of dividends on distributed shares if otherwise is not stipulated by the Federal Law "On joint-stock companies". Decision on dividends payment (declaration) on results of the first quarter, half year, and

nine months of fiscal year can be made during three months after the corresponding period end.

12.2. Dividends are paid from net profit of the Company.

12.3. Decision on dividends payment, dividend amount and form of its payment on every category of shares is taken by the General Meeting of Shareholders of the Company. Amount of dividends should not exceed an amount recommended by the Board of Directors of the Company.

12.4. The Company has the right to make decision (declare) on payment of dividends on shares and carry out their payment considering restrictions fixed by article 43 of the Federal Law “On joint-stock companies”.

### **Article 13. Register of the Company Shareholders**

13.1. Holder of the register of the Company shareholders is a specialized registrar.

13.2. In the register information about every registered person, quantity, and categories of shares recorded on the name of every registered person, other information provided by legal instruments of the Russian Federation is indicated.

13.3. Inclusion of entry in the register of the Company’s shareholders is implemented on the request of shareholder or nominal holder of shares or in cases provided by the Federal Law “On joint-stock companies” on request of other persons not later than three days from the moment of presentation of documents stipulated by the legal instruments of the Russian Federation.

Other term of entry inclusion in the register of the Company’s shareholders can be fixed by the legal instruments of the Russian Federation.

### **Article 14. General Meeting of Shareholders**

14.1. Superior management body of the Company is the General Meeting of Shareholders.

14.2. The Company should annually hold the General Meeting of Shareholders in time neither earlier than in two months nor later than in six months after completion of fiscal year.

Annual General Meeting of Shareholders shall consider issues on Board of Directors election, Auditing Commission of the Company, approval of the Company auditor, confirmation of annual reports, annual accounting including profit and loss statement (profit and loss accounts) of the Company, and distribution of profits (including payment (declaration) of dividends with the exception of profit distributed as dividends according to the results of the first quarter, half year, nine months of fiscal year) and losses of the Company in compliance with fiscal year results.

Annual General Meeting of Shareholders may consider other issues referred to the competence of the Company's General Meeting of Shareholders.

14.3. The General Meeting of Shareholders is an authorized (has a quorum) if possessing in total more than half of votes of distributed voting shares of the Company shareholders take part in it.

14.4. In the absence of quorum for holding annual General Meeting of Shareholders re-meeting should be held on the same agenda.

14.5. Announcement on holding General Meeting of Shareholders again is implemented in accordance with the requirements of article 52 of the Federal Law "On joint-stock companies".

14.6. Repeated General Meeting of Shareholders is authorized (has a quorum) if possessing in total no less than 30 percents of votes of distributed voting shares shareholders of the Company take part in it.

14.7. If the repeated General Meeting of Shareholders is held less than 40 days after missed General Meeting of Shareholders persons with the right to participate in the General Meeting of Shareholders will be determined in compliance with the list of persons entitled to participate in original (missed) General Meeting of Shareholders.

14.8. General Meetings of Shareholders held in addition to annual ones are extraordinary.

14.9. Extraordinary General Meeting of Shareholders is held in accordance with decision of the Company's Board of Directors on the basis of:

- 1) its own initiative;
- 2) requirement of the Auditing Commission of the Company;
- 3) requirement of the Company's auditor;
- 4) requirement of shareholders (shareholder) who are owners of no less than 10 percents of the Company's voting shares on demand date.

14.10. Extraordinary General Meeting of Shareholders is convened and held in accordance with order and terms determined by article 55 of the Federal Law "On joint-stock companies".

14.11. In the absence of quorum repeated extraordinary General Meeting of Shareholders can be held in order to conduct extraordinary General Meeting of Shareholders on the same agenda.

14.12. General Meetings of Shareholders of the Company are held in the Russian Federation, Moscow.

### **Article 15. Competence of the General Meeting of Shareholders**

15.1. Following activities refer to the competence of the General Meeting of Shareholders:

- 1) inserting alterations and additions to the Charter of the Company or approval of the Charter of the Company in a new edition;
- 2) the Company's reorganization;

- 3) the Company's liquidation, appointment of liquidation commission and approval of interim and closing liquidation balances;
- 4) election of members of the Company's Board of Directors and early termination of their powers;
- 5) determination of quantity, nominal value, category (type) of declared shares and rights granted by them;
- 6) increase of charter capital of the Company by means of increase of nominal value of shares and also by extra shares distribution by closed subscription and in other cases when making such a decision by the Federal Law "On joint-stock companies" is referred to the competence of the General Meeting of Shareholders;
- 7) decrease of the Company's charter capital by means of decrease of nominal value of shares, and buying a part of shares by the Company with the purpose to reduce their total number, and also by redemption shares acquired or bought out by the Company;
- 8) election of members of the Auditing Commission of the Company and early termination of their powers;
- 9) approval of the Company auditor;
- 10) payment (declaration) of dividends according to results of the first quarter, half-year, nine months of fiscal year;
- 11) approval of annual reports, annual accounting including profit and loss statements (profit and loss accounts) of the Company, and distribution of profit (including payment (declaration) of dividends with the exception of profit distributed as dividends according to results of the first quarter, half year, nine months of fiscal year) and losses of the Company in compliance with fiscal year results;
- 12) definition of procedure for the General Meeting of Shareholders;
- 13) split and consolidation of shares;
- 14) making decisions about deals approval in cases provided by article 83 of the Federal Law "On joint-stock companies";
- 15) making decisions of major deals approval in cases provided by article 79 of the Federal Law "On joint-stock companies";
- 16) acquisition of placed shares by the Company in cases provided by the Federal Law "On joint-stock companies";
- 17) making decision on participation in financial-industrial groups, associations, and other unions of commercial organizations;
- 18) approval of internal documents regulating activity of the Company bodies;
- 19) solution of other questions stipulated by the Federal Law "On joint-stock companies".

15.2. Issues referred to the competence of the General Meeting of Shareholders cannot be transferred to the Company's Board of Directors for solution with the exception of issues stipulated by the Federal Law "On joint-stock companies".

Issues referred to the competence of the General Meeting of Shareholders cannot be transferred to executive bodies of the Company for solution.

### **Article 16. Decisions of the General Meeting of Shareholders**

16.1. Decisions concerning issues stipulated by subitems 1 - 3, 5, 16 of item 15.1 of this Charter, are made by the General Meeting of Shareholders by the majority of three quarters of shareholders votes. These shareholders are the owners of voting shares of the joint-stock company who are taking part in the General Meeting of Shareholders.

16.2. Decisions concerning issues stipulated by subitems 2, 6, 13 - 18 of item 15.1. of this Charter, are made by the General Meeting of Shareholders only at the suggestion of the Company's Board of Directors.

16.3. Decisions of the General Meeting of Shareholders concerning other items put to voting, are made by the majority of votes of shareholders - the owners of voting shares of the Company who take part in the General Meeting of Shareholders unless otherwise provided for decision-making by the Federal Law "On joint-stock companies".

16.4. The General Meeting of Shareholders has no right to make decisions concerning issues, that are not included in agenda and it has no right to change the agenda.

### **Article 17. Suggestions to the Agenda, Information on Holding the General Meeting of Shareholders**

17.1. The agenda of the General Meeting of Shareholders is defined by the Company's Board of Directors during the period of preparation for holding the General Meeting of Shareholders.

17.2. The shareholders (shareholder) who are the owners of not less than 2 percent of voting shares of the Company in total, have the right to enter items in the agenda of the annual General Meeting of Shareholders of the Company and to nominate candidates for election to the Company's Board of Directors, the Auditing Commission of the Company, number of which cannot exceed the quantitative structure of the corresponding body. Such suggestions should be delivered to the Company not later than two months after the end of fiscal year.

17.3. Besides the items suggested by shareholders for inclusion in the agenda of the General Meeting of Shareholders and in case of absence of such suggestions, absence or insufficient quantity of candidates for the formation of corresponding body, the Board of Directors has the right to include in agenda of the General Meeting of Shareholders items or candidates in candidature's list at its own discretion.

17.4. The notification on holding the General Meeting of Shareholders should be made in the terms determined by the Federal Law "On joint-stock companies".

The notification on holding the General Meeting of Shareholders should be published in the newspaper “Rossiyskaya Gazeta” and placed on the Company’s Web-site on the Internet. The Company has the right to inform shareholders on holding the General Meeting of Shareholders using other ways of notification.

17.5. The information (materials) stipulated by article 52 of the Federal Law “On joint-stock companies” within 20 days before the date of holding the General Meeting of Shareholders, and in case of holding the General Meeting of Shareholders which agenda contains an item of Company reorganization within 30 days before holding the General Meeting of Shareholders should be accessible to the persons who have the right to participate in the General Meeting of Shareholders, for examination in the location of Company’s General Director and other places which addresses are specified in the notification on holding the General Meeting of Shareholders.

Upon request of the person who has the right to participate in the General Meeting of Shareholders the Company shall give him copies of the specified documents in accordance with the established procedure within 2 days.

17.6. Shareholders participate in the General Meeting of Shareholders personally or by proxy.

17.7. The representative of shareholder at the General Meeting of Shareholders acts according to the powers based on instructions of federal laws or acts of empowered state bodies or institutions of local government or the power of attorney, made in writing. The power of attorney on voting should contain data about represented person and his representative (for individual - name, data of the identity paper (series and (or) number of the document, date and place of its issue, the issuing authority), for the legal entity - name, data about its location). The power of attorney on voting should be issued according to requirements of items 4 and 5 of article 185 of the Civil Code of the Russian Federation or should be notarized.

17.8. Chairman of the General Meeting of Shareholders is the Chairman of the Company’s Board of Directors. In case of its absence at the General Meeting of Shareholders another member of the Board of Directors presides according to the decision of the Board of Directors.

### **Article 18. Voting at the General Meeting of Shareholders and Minutes of the Company’s General Meeting of Shareholders**

18.1. Voting at the General Meeting of Shareholders is carried out according to the principle: “one voting share of the Company is one vote”, except for carrying out cumulative voting at elections of members of the Company’s Board of Directors.

18.2. The results of voting concerning the items considered at the General Meeting of Shareholders are shown in the minutes of the Company’s General Meeting of Shareholders.

18.3. The minutes of the Company's General Meeting of Shareholders should be made in duplicate not later than 15 days after the end of the General Meeting of Shareholders. Both copies should be signed by the presiding person and the secretary of the General Meeting of Shareholders.

18.4. The minutes of the General Meeting of Shareholders should be sent to the shareholders not later than 2 days after its signing.

### **Article 19. Board of Directors of the Company**

19.1. The Board of Directors of the Company is the management body of the Company which carries out the general management of Company's activity according to the Federal Law "On joint-stock companies" and this Charter, except for the solution of issues referred to the competence of the General Meeting of Shareholders.

19.2. Upon the decision of the General Meeting of Shareholders members of the Company's Board of Directors during execution of their duties can receive rewards and (or) compensation of expenses connected with execution of their functions. The amount of such rewards and compensations is determined by the decision of the General Meeting of Shareholders.

19.3. Members of the Company's Board of Directors are selected by the General Meeting of Shareholders by cumulative voting in accordance with the Federal Law "On joint-stock companies" for the period up to following annual General Meeting of Shareholders .

19.4. If the annual General Meeting of Shareholders was not held within the terms determined by item 14.2 of this Charter, powers of the Company's Board of Directors shall be terminated, except for powers on preparation, convocation and holding the annual General Meeting of Shareholders.

19.5. The Board of Directors of the Company is selected in the amount of 10 (ten) members.

19.6. Persons elected to the Board of Directors can be re-elected unlimited number of times.

The General Meeting of Shareholders has the right to early terminate the powers of all members of the Board of Directors.

19.7. The General Director cannot be at the same time the Chairman of the Board of Directors.

19.8. A member of the Board of Directors can be only an individual. The member of the Board of Directors cannot be a shareholder of the Company.

### **Article 20. The Competence of the Company's Board of Directors**

20.1. The following items belong to the competence of the Company's Board of Directors:

- 1) definition of priority directions of the Company's activity, the approval of long-term plans and the basic programs of the Company's activity, including the annual budget and investment programs of the Company;
- 2) convocation of annual and extraordinary General Meetings of Shareholders, except for the cases stipulated by item 8 of article 55 of the Federal Law "On joint-stock companies";
- 3) the approval of the agenda of the General Meeting of Shareholders;
- 4) determination of date of drawing up the list of persons entitled to participate in the General Meeting of Shareholders, and other items referred to the competence of the Company's Board of Directors according to the provisions of chapter VII of the Federal Law "On joint-stock companies", and items connected with preparation and holding the General Meeting of Shareholders;
- 5) making decision on increase of the charter capital of the Company by floatation of extra shares within the limits of quantity and categories (types) of declared shares, except for cases when such decision is referred to the competence of the General Meeting of Shareholders by the Federal Law "On joint-stock companies";
- 6) floatation by the Company of bonds and other issued securities in the cases stipulated by the Federal Law "On joint-stock companies";
- 7) definition of the price (pecuniary value) of the property, the price of floatation and repurchase of issued securities in the cases stipulated by the Federal Law "On joint-stock companies";
- 8) purchase of the floated by the Company shares, bonds and other securities in the cases stipulated by the Federal Law "On joint-stock companies";
- 9) formation of the Company's executive bodies and definition of period of their powers, early termination of powers of executive bodies;
- 10) recommendations concerning the amount of rewards and compensations paid to the members of the Company's Auditing Commission and definition of the amount of service fee to auditor;
- 11) recommendations concerning the amount of dividend on shares and the procedure of its payment;
- 12) use of reserve fund and other funds of the Company;
- 13) approval of internal documents of the Company, except for internal documents which approval is referred to the competence of the General Meeting of Shareholders by the Federal Law "On joint-stock companies", and other internal documents of the Company which approval is referred to the competence of executive bodies of the Company by this Charter;
- 14) formation of branches and opening of representative offices of the Company and their liquidation;
- 15) approval of major transactions in the cases stipulated by chapter X of the Federal Law "On joint-stock companies";

- 16) approval of transactions stipulated by chapter XI of the Federal Law “On joint-stock companies”;
  - 17) establishment of the order of transactions’ settlement;
  - 18) establishment of the order of the Company’s interaction with economic organizations and entities, which stocks and shares the Company owns;
  - 19) making the decision about participation and termination of participation of the Company in other organizations except for the cases stipulated by subitem 17 of item 15.1 and subitem 15 of item 25.6 of this Charter;
  - 20) according to the order of transactions’ settlement making decisions about settlement of transactions for the amount over 450,000,000 (four hundred and fifty million) rubles with assets in the form of shares (stocks, units) of other organizations and about the Company’s paying up of contributions in property of other organizations;
  - 21) approval of the registrar of the Company and terms of contract with him and cancellation of the contract with him;
  - 22) setting of auditor checks of the Company’s activity including those by independent auditors;
  - 23) other items stipulated by the Federal Law “On joint-stock companies”.
- 20.2. The items referred to the competence of the Company’s Board of Directors cannot be transferred to the competence of executive bodies of the Company.

## **Article 21. Chairman and Deputy Chairman of the Board of Directors**

- 21.1. Chairman and Deputy Chairman of the Board of Directors are elected by the members of the Board of Directors from among themselves by the majority of votes from the general poll of the Board of Directors’ members.
- 21.2. The Board of Directors has the right to re-elect at any time the Chairman and/or Deputy Chairman by the majority of votes from the general poll of the members of the Board of Directors.
- 21.3. The Chairman of the Company’s Board of Directors organizes its work, convenes meetings of the Board of Directors, approves the agenda of the meetings and presides over the meetings of the Board of Directors, organizes keeping minutes, presides over the General Meeting of Shareholders.
- 21.4. In case of absence of the Chairman of the Company’s Board of Directors his functions are performed by the Deputy Chairman of the Board of Directors, and in case of absence of the Chairman and the Deputy Chairman their functions are performed by any member of the Board of Directors upon the decision of the Board of Directors.

## **Article 22. Meetings of the Board of Directors**

- 22.1. Decisions of the Board of Directors can be made at the meetings of the Board of Directors and by absentee voting.

Through carrying out absentee voting decisions can be made concerning items that do not require unanimity or qualified majority of votes.

22.2. The meetings of the Board of Directors of the Company are convened by the Chairman of Board of Directors upon his own initiative and upon request of:

- 1) member of the Board of Directors;
- 2) the Auditing Commission of the Company or the auditor of the Company;
- 3) the General Director of the Company;
- 4) the Management Board of the Company.

In the absence of the Chairman of the Board of Directors the meetings of the Board of Directors are convened by the Deputy Chairman of the Board of Directors or the member of Board of Directors who executes functions of the Chairman according to item 21.4 of this Charter.

22.3. The right of including suggestions in the agenda of the meetings of the Board of Directors is enjoyed by the Chairman of the Board of Directors, the members of the Board of Directors, the General Director of Company, the Management Board of the Company, the Auditing Commission of the Company, the auditor of the Company.

22.4. Notification on holding the meeting of the Board of Directors should be made not later than 15 days prior to the date of its holding, and in case of absentee voting it should be made not later than 20 days prior to the date of submission of filled in voting bulletins to the Board of Directors.

In the specified terms the Chairman of Board of Directors gives to all members of the Board of Directors nominal written notice on convocation of the meeting of the Board of Directors that contains:

- date, place and time of holding the meeting (in case of holding the meeting in the form of physical presence);
- the list of the persons invited to the meeting (in case of holding the meeting in the form of physical presence);
- items of the agenda of the meeting .

The following items are enclosed:

- draft resolutions of the Board of Directors;
- substantiation of necessity of suggested resolution adoption;
- documents and other informational materials;
- voting bulletin (in case of absentee voting) with indication of the date of submission of filled in voting bulletins to the Board of Directors of the Company.

22.5. The meeting of the Board of Directors (absentee voting) is competent if more than half of elected members of the Board of Directors are present (participate) in the voting.

22.6. In case when the quantity of members of the Board of Directors of the Company becomes less than the quantity specified in item 22.5 of this Charter to be the quorum, the Board of Directors of the Company shall make

decision on holding extraordinary General Meeting of Shareholders for election of new members of the Company's Board of Directors. Remaining members of the Board of Directors have the right to make a decision only on convocation of such extraordinary General Meeting of Shareholders.

22.7. The minutes are kept at the meetings of the Board of Directors. The minutes of the meetings of the Board of Directors are made not later than three days after its holding.

The minutes shall include the following:

- place and time of its holding;
- the persons who are present at the meeting;
- the agenda of the meeting;
- the items put to voting;
- results of voting on each item;
- made decisions.

The minutes of the meeting of the Company's Board of Directors are signed by the presiding person who bears the responsibility for accuracy of minutes keeping. The minutes are sent to the members of the Company's Board of Directors not later than 2 days after signing.

If the Board of Directors makes decisions by absentee voting the minutes of the meeting (absentee voting) shall state the following:

- date of minutes;
- the members of the Board of Directors who submitted signed voting bulletins by this date;
- the agenda;
- the items put to voting and results of voting on them;
- made decisions.

The minutes of the meeting (absentee voting) are signed by the Chairman of the Company's Board of Directors. Voting bulletins signed by the members of the Board of Directors are enclosed to the minutes. The minutes are sent to the members of the Board of Directors not later than 2 days after signing.

22.8. Organizational support of activity of the Company's Board of Directors and minutes keeping at the meeting are carried out by the secretary of the Board of Directors.

22.9. The order of holding meetings of the Board of Directors is also determined by the regulations on the Company's Board of Directors, approved by the General Meeting of Shareholders.

### **Article 23. Decisions of the Company's Board of Directors**

23.1. During decision-making process at the meeting (absentee voting) each member of the Board of Directors possesses one vote.

During definition of quorum and results of voting concerning the agenda the written opinion of a member of the Board of Directors who is absent at the meeting of Board of Directors, is taken into account according to the regulation

on the Company's Board of Directors, approved by the General Meeting of Shareholders.

23.2. Transfer of vote by a member of the Board of Directors to other person, including other member of the Board of Directors, is not allowed.

23.3. Decisions at the meetings (absentee voting) of the Board of Directors are accepted by the majority of votes of elected members of the Board of Directors if otherwise is not stipulated by the Federal Law "On joint-stock companies". Thus votes of the retired members of the Board of Directors are not taken into account.

23.4. In case of equality of votes of the members of the Board of Directors in the decision-making process the right of casting vote belongs to the Chairman of the Company's Board of Directors.

## **Article 24. Executive Bodies of the Company**

24.1. Executive bodies of the Company are the General Director of the Company and the Management Board of the Company.

24.2. Executive bodies of the Company carry out the management of its day-to-day activity.

24.3. Competence of executive bodies includes all items concerning current activity of the Company except for the items referred to the competence of the General Meeting of Shareholders and the Board of Directors of the Company.

24.4. Executive bodies of the Company organize implementation of decisions of the General Meeting of Shareholders and the Board of Directors of the Company.

24.5. Formation of executive bodies and early termination of their powers are carried out upon the decision of the Company's Board of Directors. The term of powers of executive bodies is defined by the Board of Directors.

The Board of Directors has the right at any time to early terminate the powers of members of the Management Board and the General Director of the Company.

24.6. Executive bodies of the Company are accountable to the Board of Directors and the General Meeting of Shareholders. The rights and duties of the General Director of the Company, members of the Management Board of the Company are defined by the Federal Law "On out joint-stock companies", other legal instruments of the Russian Federation, this Charter and the contract concluded by each of them with the Company. The contract on behalf of the Company is signed by the Chairman of the Board of Directors or the person authorized by the Board of Directors.

24.7. The coordination of participation of the General Director and members of the Management Board of the Company in management bodies of other organizations is the responsibility of the Board of Directors.

## **Article 25. The General Director of the Company**

25.1. The General Director is the sole executive body of the Company.

25.2. The General Director has the right to solve all issues of current activity of the Company except for the items referred to the competence of the General Meeting of Shareholders and the Board of Directors of the Company.

25.3. The General Director of the Company is at the same time the Chairman of the Management Board of the Company.

25.4. The coordination of giving vacations to the General Director, application of responsibility and encouragement measures to the General Director are the responsibility of the Company's Board of Directors according to the contract concluded with him.

25.5. The General Director of the Company has a right to appoint for the period of his vacation, business trip and other short-term absence the person from his assistants who will ad interim execute his functions.

25.6. The General Director:

1) without a power of attorney acts on behalf of the Company and represents its interests, makes transactions on behalf of the Company and disposes of the Company's property, following the internal documents of the Company which govern the order of transactions execution and the order of interaction with economic organizations and entities, which stocks and shares the Company owns;

2) issues powers of attorney with the right of representation on behalf of the Company, including transferable powers of attorney;

3) approves staff of the Company, its branches and representative offices, defines forms, systems and amount of wages;

4) in coordination with the Board of Directors appoints and dismisses assistants of the General Director and the chief accountant;

5) hires and dismisses employees of the Company;

6) publishes orders and gives instructions binding on all employees of the Company;

7) approves internal documents of the Company which regulate its current activity except for internal documents concerning activity of the Company which approval is referred to the competence of the General Meeting of Shareholders, Board of Directors and Management Board according to this Charter;

8) approves regulations on branches and representative offices of the Company, appoints and dismisses heads of branches and representative offices;

9) organizes the execution of decisions of the General Meeting of Shareholders, Board of Directors and Management Board of the Company, execution of obligations to the budget and counterparties;

10) opens accounts with banks;

- 11) organizes control over use of material, financial, and human resources;
- 12) approves the list of data containing the trade secret and other confidential information of the Company;
- 13) provides for compliance with requirements of the current legislation at the realization of economic activity of the Company;
- 14) makes decisions about presentation on behalf of the Company of claims and suits to legal entities and individuals, exercises the rights of the shareholder (participant) of economic organizations and other entities in which the Company participates;
- 15) makes decisions about participation and about termination of participation of the Company in another entities in case if such decision involves settlement of transaction for the amount no more than 450,000,000 (four hundred and fifty million) rubles or connected to the reorganization or liquidation of the entity which has balance sheet value equal to no more than 450,000,000 (four hundred and fifty million) rubles;
- 16) makes decisions according to the order of transactions settlement about settlement of transactions for the amount no more than 450,000,000 (four hundred and fifty million) rubles
- 17) solves other issues of current activity of the Company.

## **Article 26. Management Board of the Company**

26.1. The Management Board of the Company is a collegial executive body of the Company and acts on the basis of this Charter and regulations on the Management Board of the Company approved by the General Meeting of Shareholders.

26.2. The Board carries out management of the Company's current activity.

26.3. The Board is formed by the Board of Directors under the representation of the General Director of the Company from heads of organization departments of the Company and other persons possessing necessary professional qualification and experience of executive work.

26.4. The quantitative structure of the Management Board of the Company is defined by the Board of Directors and should be optimal for constructive discussion of issues and for making timely and effective decisions.

26.5. The competence of the Management Board of the Company includes:

- 1) organization of control over execution of decisions of the General Meeting of Shareholders and the Board of Directors;
- 2) development of long-term plans and the basic programs of the Company's activity for presentation to the Board of Directors, including the annual budget and investment programs of the Company, preparation of

progress reports and development and approval of current plans of the Company's activity;

3) organization of control over execution of long-term and current plans and programs of the Company, implementation of investment, financial and other projects of the Company;

4) approval of the rules providing for the appropriate organization and reliability of accounting in the Company and timely presentation of the annual statements and other financial documentation to corresponding authorities and data about the Company's activity given to shareholders and creditors;

5) approval of internal documents of the Company on the items referred to the competence of the Management Board;

6) development of suggestions about participation and termination of participation of the Company in other organizations (including foreign companies), about opening and liquidation of branches and representative offices of the Company for presentation to the Board of Directors;

7) the solution of other issues concerning current activity of the Company presented for its consideration by the General Director of the Company.

### **Article 27. Major Transactions. Interested Party Transactions**

Decisions about approval of major transactions and interested party transactions are made by the General Meeting of Shareholders and the Board of Directors according to requirements of chapters X and XI of the Federal Law "On joint-stock companies".

### **Article 28. Auditing Commission of the Company**

28.1. For control over financial and economic activity of the Company the General Meeting of Shareholders elects the Auditing Commission in the number of 3 persons for the period up to the next annual General Meeting of Shareholders.

Upon the decision of the General Meeting of Shareholders members of the Auditing Commission can receive rewards and (or) compensation of the expenses related to execution of their duties. The amount of such rewards and compensations is established by the decision of the General Meeting of Shareholders.

28.2. The competence of the Auditing Commission of the Company includes the following items in addition to the items stipulated by the Federal Law "On joint-stock companies":

1) check and analysis of financial performance of the Company, its solvency, functioning of internal control system and system of financial and operational risks management, liquidity of assets, ratio of equity and borrowing;

2) check of timeliness and propriety of settlements with counterparties, budget and operations concerning wages payment, social insurance, charge and payment of dividends and other settlement operations;

3) check of compliance with current standards and specifications, approved estimates and other documents governing the activity of the Company while using material, labor and financial resources in industrial and financial-economic activity, and execution of decisions of the General Meeting of Shareholders;

4) check of legality of the Company's economic operations which are carried out according to negotiated contracts and transactions on behalf of the Company;

5) check of cash desk and property of the Company, efficiency of usage of the Company's assets and other resources, revealing the reasons of non-productive losses and expenses;

6) check of instructions execution about elimination of violations and defects previously revealed by the Auditing Commission;

7) check of conformity of decisions concerning the financial and economic activity, made by the Management Board and the Board of Directors to the Charter of the Company and to the decisions of the General Meeting of Shareholders.

The procedure of the Auditing Commission activity is defined by the regulations on the Auditing commission approved by the General Meeting of Shareholders.

28.3. Check (audit) of financial and economic activity of the Company is carried out based on the results of the Company's annual activity and at any time upon the initiative of the Auditing Commission of the Company, the decision of the General Meeting of Shareholders, Board of Directors or upon request of the shareholder (shareholders) of the Company who owns in total not less than 10 percent of voting shares.

28.4. Upon request of the Auditing Commission of the Company the persons who work in the management bodies of the Company are obliged to present documents concerning financial and economic activity of the Company.

28.5. The Auditing Commission of the Company has the right to request convocation of extraordinary General Meeting of Shareholders according to the article 55 of the Federal Law "On joint-stock companies".

28.6. Members of the Auditing Commission of the Company cannot be at the same time members of the Board of Directors and cannot hold other positions in the management bodies of the Company.

The shares belonging to the members of the Board of Directors or persons, working in management bodies of the Company cannot participate in voting when electing of the members of the Auditing Commission.

## **Article 29. The Auditor of the Company**

29.1. The Auditor (auditing firm) of the Company carries out check of financial and economic activity of the Company according to legal instruments of the Russian Federation on the basis of the contract negotiated between it and the Company.

29.2. The Auditor of the Company is approved by the General Meeting of Shareholders. The amount of service fee is defined by the Board of Directors.

### **Article 30. Accounting, Reporting, Documents of the Company**

30.1. The Company shall organize accounting and present financial statements according to the Federal Law “On joint-stock companies” and other legal instruments of the Russian Federation.

30.2. Reliability of the data in the annual report of the Company and annual accounting should be confirmed by the Auditing Commission of the Company.

30.3. The annual report of the Company is subject to the preliminary approval by the Board of Directors not later than 30 days before the date of holding the annual General Meeting of Shareholders.

30.4. The responsibility for organization, condition and reliability of accounting in the Company, timely presentation of the annual report and other financial documents to the relevant authorities, and the data given to shareholders, creditors and mass media, is borne by the General Director of the Company.

30.5. The Company shall keep following documents:

- 1) contract on formation of the Company;
- 2) the Charter of the Company, amendments and supplements introduced to the Charter, registered in accordance with established procedure, resolution on formation of the Company, the document of state registration of the Company;
- 3) the documents confirming the rights of the Company to the property on its balance;
- 4) internal documents of the Company;
- 5) regulations on branch or representative office of the Company;
- 6) annual reports;
- 7) book keeping documents;
- 8) accounting documents;
- 9) minutes of the General Meetings of Shareholders, meetings of the Board of Directors, the Auditing Commission and the Management Board of the Company;
- 10) voting bulletins and powers of attorney (copies of powers of attorney) on participation in the General Meeting of Shareholders;
- 11) reports of independent appraisers;
- 12) lists of affiliates of the Company;

13) lists of persons entitled to participate in the General Meeting of Shareholders, entitled to receive dividends, and other lists made by the Company for exercise of shareholders rights according to the requirements of the Federal Law “On joint-stock companies”;

14) opinions of the Auditing Commission of the Company, the auditor of the Company, the state and municipal authorities of financial control;

15) prospectus, quarterly reports of the issuer and other documents containing the information that should be published or disclosed otherwise according to the Federal Law “On joint-stock companies” and other federal laws;

16) other documents stipulated by the Federal Law “On joint-stock companies”, this Charter, internal documents of the Company, resolutions of the General Meeting of Shareholders, Board of Directors, executive bodies of the Company, and the documents stipulated by legal instruments of the Russian Federation.

30.6. The Company shall keep the documents stipulated by item 30.5 of this Charter in the location of its executive body according to the order and within terms established by federal executive authority for securities market.

### **Article 31. Information Disclosure by the Company**

31.1. Information on the Company is disclosed according to the requirements of the Federal Law “On joint-stock companies” and other legal instruments of the Russian Federation.

31.2. The shareholders of the Company who have in total not less than 25 percent of voting shares of the Company, have the right of access to the documents of the Company including documents of primary accounting.

### **Article 32. Reorganization of the Company**

32.1. The Company may be voluntary reorganized by means of merger, consolidation, splitting up, detachment and transformation according to the Federal Law “On joint-stock companies”.

32.2. The Company is considered reorganized from the moment of state registration of new legal entities, except for cases of reorganization in the form of consolidation. At the reorganization of the Company by consolidation with other organization the Company is considered reorganized from the moment of entry made in the Unified State Register of Legal Entities on the termination of the Company’s activity.

### **Article 33. Liquidation of the Company**

33.1. The Company can be voluntary liquidated as established by federal laws and this Charter.

Liquidation of the Company upon the court judgment is carried out on the grounds stipulated by the Civil code of the Russian Federation.

33.2. In case of liquidation of the Company the Board of Directors submits to the decision of the General Meeting of Shareholders the question of liquidation of the Company and appointment of the liquidation commission in compliance with the requirements of item 4 article 21 of the Federal Law “On joint-stock companies”.

From the moment of appointment of the liquidation commission all powers of the Company’s management pass to it. The liquidation commission appears in court on behalf of Companies .

The order of liquidation of the Company and distribution of remained property after settlements with creditors is defined by the Federal Law “On joint-stock companies”.

33.4. Liquidation of the Company is considered completed, and the Company is considered to have stopped its existence from the moment of making a corresponding entry in the Unified State Register of Legal Entities.