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**DOCUMENT IS SIGNED WITH AN  
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SIGNATURE**

**ES certificate details**

Certificate: 70CF7D0057AA68AD45E451B49043E4F2  
Owner: Tanzilya Radifovna Shilonosova  
Deputy head of inspection: Management Interdistrict inspectorate of the Federal Tax Service No. 17 for the Chelyabinsk region  
Valid: from May 24, 2019 to May 24, 2020

**APPROVED**

By resolution of the sole shareholder  
dated July 17, 2019

AMENDMENT No. 21  
to the Charter of a Joint-Stock Company  
Chelyabinsk Electrode Plant  
registered by the Resolution of the Head of Administration  
Metallurgical District of Chelyabinsk No. 231 as of December 8, 1992

**Read a new version of the Charter:**

**CHARTER**  
**of a Joint-Stock Company**  
**EPM - Chelyabinsk Electrode Plant**

## 1. GENERAL PROVISIONS

1.1. This version of the Charter of Joint-Stock Company **EPM - Chelyabinsk Electrode Plant**, hereinafter referred to as the Company, was adopted by the sole shareholder of the Company as of July 17, 2019 in accordance with the requirements of the Federal law No. 208-FZ "On Joint-Stock Companies" dated December 26, 1995 (hereinafter referred to as the Federal law "On Joint-Stock Companies").

1.2. Legal status of the company, its reorganization and liquidation, rights and obligations of shareholders are stipulated by the Civil Code of the Russian Federation, Federal Law "On Joint-Stock Companies" in conformity with federal laws, other normative acts of the Russian Federation and this Charter.

1.3. The Company is created without any limitation of the term of existence.

1.4. The Company is a corporate legal entity (corporation). The company is a closed joint stock corporation.

## 2. CORPORATE NAME AND LOCATION

2.1. Company corporate name

Full:

in Russian:

**Акционерное общество «ЭПМ - Челябинский электродный завод»**

in English:

**Joint Stock Company "EPM - Chelyabinsk Electrode Plant"**

Abbreviated:

in Russian:

**АО «ЭПМ - ЧЭЗ»**

in English:

**JSC "EPM - ChEP".**

2.2. Location of the Company: Chelyabinsk, Chelyabinsk Region, Russian Federation

## 3. PURPOSE AND SCOPE OF ACTIVITIES OF THE COMPANY

3.1. The purpose of the Company's activities is profit making.

3.2. The Company shall have civil rights and shall bear obligations as necessary for engaging in any type of activity which is not prohibited by federal laws.

3.3. Certain types of activity, a list of which shall be determined by federal laws, may be carried out by Company only on the basis of a special permit (license).

3.4. The Company carries out the activities as follows:

- production and sale of graphitized, carbon and graphite, carbon electrical materials, structural graphite, carbon fiber materials, products made out of them, carbon paste and by-products;
- introduction and continuous improvement of the quality management system complying with the requirements of the international standard ISO 9001-2000, which ensures the maintenance of high and stable quality level of products;
- trading and purchasing and intermediary activities, holding of a competitive tender, fairs, auctions, exhibitions;
- foreign economic activity, including export-import transactions and operations;
- conducting credit, bill and other financial transactions in Russia and abroad, as well as securities transactions;
- providing information, consulting services on commercial, financial, legal and other issues;
- purchase and sale of motor transport, road, construction machinery, hoisting machines, equipment for maintenance and repair of vehicles;
- transportation of passengers by buses and cars;
- Transportation of various cargoes by road, refueling of own motor transport and other equipment (construction, road, agricultural and railway) at the fuel station and filling station of the enterprise;
- transporting dangerous goods by road;
- conducting work with radioisotope devices;
- operation of gas facilities;
- operation of boiler supervision facilities and lifting devices;
- purchase of agricultural products;
- Outpatient care, including therapeutic, health resort treatment and preventive care activities;
- operation of a local telephony;
- operation and maintenance of communication facilities and means;

- production, transmission, distribution of thermal energy;
- installation, adjustment and maintenance of power facilities, electric power equipment and power plants of consumers;
- medical activity, including:
  - physiotherapy treatment;
  - massage therapy;
  - dental activities (therapeutic, orthopedic and surgical);
  - laboratory diagnostics (clinical and biochemical);
  - X-ray diagnostics (dental);
- operation and maintenance of platinum thermal couples and platinum chemical glassware;
- installation, adjustment, repair and maintenance of equipment and fire protection systems:
  - installation, adjustment, maintenance and repair of equipment and devices of fire-detecting systems;
  - fire protection of metal structures (including air ducts); fire protection of wood and materials based on them;
  - carrying out research, development and design work;
  - advertising and publishing activities;
  - carrying out security and investigation activities in the interest of its own security;
  - conducting activities on prevention and extinction of fire, which include measures to ensure the fire safety of people and property, as well as actions to rescue people and property in the event of fires and fire suppression.
- carrying out other activities not prohibited by applicable law.

If the applicable legislation changes, which imposes restrictions on the Company to carry out its main activities, the provisions of the Charter in this respect are not subjected to use.

#### **4. LEGAL STATUS OF THE COMPANY**

4.1. The Company established in accordance with the Decree of the President of the Russian Federation No. 721 "On organizational measures to transform state enterprises, voluntary associations of state enterprises into Joint-Stock Companies" dated July 1, 1992, is the successor of the state-owned enterprise Chelyabinsk Electrode Plant.

4.2. The Company shall be a legal entity and shall have its own independent property registered on its own separate balance sheet. The Company may acquire in its own name and enjoy proprietary and personal non-proprietary rights and bear responsibilities, act as plaintiff and defendant in the courts.

4.3. The Company shall have the right to open bank accounts inside and outside the Russian Federation pursuant to the established procedure.

4.4. The Company shall have an official seal specifying its full corporate name both in Russian and in another foreign language and its location.

4.5. The Company shall be entitled to have stamps and letterheads bearing its corporate name, logo, as well as its duly registered trademark and other means of visual identification.

4.6. The Company carries out all types of foreign economic activities.

4.7. The Company may establish commercial organizations in and outside the territory of the Russian Federation.

4.8. The Company may join unions and associations on a voluntary basis, as well as be a member of other non-profit organizations, both on the territory of the Russian Federation and abroad.

4.9. The Company shall provide for the register of shareholders storage and maintenance in accordance with the legal acts of the Russian Federation as of the time of state registration.

#### **5. LIABILITY OF THE COMPANY**

5.1. The Company shall be liable for its obligations to the extent of all its available assets.

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

5.3. The State and its bodies shall not be liable for the Company's obligations; likewise, the Company shall not be liable for the obligations of the State and its bodies.

#### **6. BRANCHES AND REPRESENTATIONS**

6.1. The Company may establish branches and open representative offices in accordance with applicable laws of the Russian Federation.

6.2. A representative office of the Company shall be an economically autonomous subdivision with a location which differs from the location of the Company, which sole scope is to represent and protect the interests of the Company.

6.3. A branch of the Company shall be an economically autonomous subdivision of the Company with a location which differs from the location of the Company, which fulfills all of the Company's functions, including the functions of a representative office, or a part of those functions.

6.4 A branch and a representative office shall not be deemed to be legal entities, and shall act on the basis of a statute which has been approved by the Company.

6.5. Resolutions on creation of a branch and opening a representative office as well as on their liquidation shall be adopted by the General Shareholders Meeting of the Company. Regulations on a branch and a representative office shall be also approved by the General Shareholders Meeting of the Company.

The Head of a branch and the Head of a representative office shall be appointed by a person performing functions of the sole executive body of the Company and shall act on the basis of a power of attorney issued by the Company.

6.6. Branches and representative offices shall be registered in the Unified State Register of Legal Entities.

## **7. CHARTER CAPITAL**

### **Outstanding and authorized shares.**

7.1. The charter capital of the Company amounts to **5,508,960 (Five million five hundred and eight thousand nine hundred and sixty)** rubles. The charter capital of the Company is divided into **5,508,960 (Five million five hundred and eight thousand nine hundred and sixty)** ordinary registered shares with a par value of **1 (one) ruble** each.

The Company shall have the right to additionally place 2,000,000 (Two million) ordinary registered shares with a par value of 1 (one) ruble each (authorized shares). These shares shall provide to their holders the same amount of rights as earlier allotted ordinary shares of the Company subject to this Charter (Article 8).

### **Increase of charter capital**

7.2. The charter capital of the Company may be increased by means of increasing the nominal value of shares or distributing additional shares.

7.3. The decision to increase the charter capital of the Company by means of increasing the nominal value of shares or distributing additional shares shall be adopted by the General Shareholders Meeting the Company.

7.4. The resolution on increase of the charter capital of the Company shall be adopted by the General Shareholders Meeting of the Company within the procedure stipulated by the Federal Law "On Joint-Stock Companies" and the Charter of the Company.

7.5. In case of increase of the charter capital, the Company shall comply with the restrictions established by the Federal Law "On Joint-Stock Companies".

### **Reduction of charter capital**

7.6. The Company's charter capital may be reduced by means of reducing the nominal value of shares or reducing the total number thereof, including by means of acquisition of a portion of the shares in cases stipulated by the Federal Law "On Joint-Stock Companies".

7.7. The decision to reduce the charter capital of the Company by means of reducing the nominal value of shares shall be adopted by the General Shareholders Meeting the Company. The decision to reduce the charter capital of the Company by means of reducing the nominal value of shares may provide for the payment of funds to the Company's shareholder and/or the transfer of issuable securities owned by the Company placed by another legal entity.

7.8. The charter capital may be reduced on the basis of the decision of the General Shareholders Meeting of the Company to reduce the charter capital by acquiring a part of the Company's shares in order to reduce their overall number.

7.9. The charter capital may be reduced on the basis of the decision of the General Shareholders Meeting of the Company to reduce the charter capital by redemption of the Company's own shares made available for the Company in the cases stipulated by the applicable laws of the Russian Federation and this Charter.

7.10. Within 3 (three) business days of the resolution to reduce the Company's charter capital, the Company shall notify the body, which carries out the State registration of legal entities of such a decision and twice (once a month) place the notification of reduction of the Company's charter capital in the mass media which usually publish information on state registration of legal entities.

7.11. In case of reduction of the charter capital, the Company shall comply with the restrictions established by the Federal Law "On Joint-Stock Companies".

## **Net Assets**

7.12. The value of the Company's net assets shall be assessed on the basis of the data in the accounting records in accordance with the procedure established by the federal executive body authorized by the Government of the Russian Federation, and in cases prescribed by the Federal Law and the Central Bank of the Russian Federation.

7.13. If the value of the Company's net assets becomes less than its charter capital at the end of the financial year following the second financial year or each subsequent financial year, at the end of which the value of the Company's net assets has become less than its charter capital, including in the circumstances envisaged in clause 7.14 of this Article, the Company shall take one of the following decisions no later than six months after the end of the corresponding fiscal year:

- 1) on reduction of the Company's charter capital to an amount which is less than the value of its net assets;
- 2) on liquidation of the Company.

7.14. If the value of the Company's net assets becomes less than its Charter capital by more than 25 percent after three, six, nine, or twelve months of the fiscal year following the second fiscal year or each subsequent fiscal year, after which the value of the Company's net assets has become less than its Charter capital, the Company shall place twice (once a month) the notification of reduction of the Company's charter capital in the mass media.

7.15. If at the end of the second fiscal year or each subsequent fiscal year the value of the Company's net assets becomes less than the minimum charter capital, the Company shall make a decision on its liquidation no later than six months after the end of the fiscal year.

7.16. If the Company fails to fulfill the obligations within the time limits set out in clauses 7.13, 7.14 and 7.15 of this Article, creditors may present a written demand for the early termination or fulfillment of the relevant obligations of the Company or, if it is impossible to terminate them before their term ends for compensation for losses related thereto, and the body carrying out the state registration of legal entities or other state or local self-government bodies entitled to make such a claim in virtue of the Federal law, may file a claim for liquidation of the Company in court.

## **8. SHARES OF THE COMPANY**

### **Types of shares issued by the Company. General rights and responsibilities of Shareholders**

- 8.1. The Company shall distribute ordinary shares.
- 8.2. All shares shall be common registered shares and shall be issued in the non-documentary form.
- 8.3. The share shall not grant voting rights until it is fully paid.
- 8.4. A shareholder shall not be liable for the debts or obligations of the Company and shall bear the risk of losses related to the activities of the Company only to the extent of the value of the shares he/she holds.
- 8.5. The shareholder shall:
  - fulfill the requirements of the Company's Charter;
  - pay for shares upon their placement in accordance with such procedure, within such terms and using such means as required by the law, the Company's Charter and the decision on their placement;
  - inform the custodian of the Shareholders Register of any changes in its information;
  - not disclose confidential information about the Company's activities;
  - perform other duties as required by the law, the Charter, as well as decisions of the General Shareholders Meeting of the Company, approved in accordance with their competence.
- 8.6. The Shareholder has the right to:
  - dispose of his/her shares;
  - vote on all matters within the competence of a shareholder;
  - receive dividends, and in case of liquidation of the Company - receive part of its property in the manner prescribed by the Federal Law «On Joint-Stock Companies»;
  - have access to the documents of the Company in the manner prescribed by the Federal Law «On Joint-Stock Companies» and this Charter, and receive their copies for a fee;
  - demand redemption by the Company of all or part of its shares in cases set by the Federal Law «On Joint-Stock Companies»;
  - exercise other rights provided for by the laws of the Russian Federation, this Charter and decisions of the General Shareholders Meeting of the Company approved in accordance with its competence.
- 8.7. Each ordinary share of the Company has the same nominal value and entitles the shareholder holding it to have the same scope of rights.

## **9. PLACEMENT OF SHARES AND OTHER ISSUANCE SECURITIES**

- 9.1. The Company shall have the right to distribute additional shares and other issuance securities by

subscription and by conversion. In the event the Company's charter capital is increased at the expense of its property, the Company shall place additional shares among its shareholders.

9.2. In case of placement of shares and issuance securities convertible into shares, the Company may effect only closed subscription to its shares.

## **10. ACQUISITION OF OUTSTANDING SHARES BY THE COMPANY**

10.1. The Company shall have the right to acquire shares which it has distributed on the basis of a decision of the General Shareholders Meeting of the Company to reduce the charter capital of the Company by means of acquiring a part of distributed shares in order to reduce their overall number.

10.2. Shares acquired by the Company on the basis of a decision adopted by the General Shareholders Meeting to reduce the charter capital of the Company by means of acquiring shares in order to reduce their overall number, are redeemed upon their acquisition.

10.3. The Company also shall have the right to acquire shares which it has distributed on the basis of a decision of the General Shareholders Meeting of the Company in accordance with clause 2 Art. 72 of the Federal Law "On Joint-Stock Companies".

Shares acquired by the Company in accordance with clause 2 Art. 72 of the Federal Law "On Joint-Stock Companies", shall not provide voting rights, shall be disregarded for the purposes of tallying votes, and shall not accrue any dividend. Such shares shall be sold at a price not lower than their market value within one year after the date of their acquisition. Otherwise the General Shareholders Meeting of the Company shall pass a decision to reduce the charter capital of the Company by redeeming the mentioned shares.

10.4. Payment for shares purchased by the Company which it has distributed may be made in terms of money, securities, other property and non-property rights or any other rights that have a monetary value.

10.5. When making a decision regarding acquisition of shares by the Company which it has distributed, the Company shall comply with the restrictions established by the Federal Law "On Joint-Stock Companies".

## **11. DIVIDENDS**

11.1. The Company shall have the right, on the basis of the results for the first quarter, six months and nine months of a financial year and (or) on the basis of the results for a financial year, to adopt decisions concerning (announce) the payment of dividends on distributed shares, unless otherwise provided for by the applicable laws.

The resolution to pay (announce) dividends after the first quarter, six or nine months of a financial year may be passed within three months after expiration of the corresponding period.

The date on which the persons entitled to receive dividends are determined in accordance with the decision to pay (announce) dividends cannot be set earlier than 10 days from the date of making the decision to pay (announce) dividends and later than 20 days from the date of making such a decision.

The term of dividend payments shall not exceed 25 days from the date on which the persons entitled to receive dividends are determined.

11.2. Dividends shall be paid in money or other property.

11.3. The General Shareholders Meeting shall pass a resolution on payment (announcement) of any dividends. The resolution shall define the amount of dividends on shares of each category (type), the form of their payment, the procedure for payment of dividends in non-monetary form, the date on which the persons entitled to receive dividends are determined.

11.4. When making a decision (announcement) regarding payment of dividends, the Company shall comply with the restrictions established by the Federal Law "On Joint-Stock Companies".

## **12. STRUCTURE OF THE COMPANY'S BODIES**

12.1. The principal governance bodies of the Company are:

- General Shareholders Meeting;
- sole executive body (General Director) of the Company.

If all voting shares of the Company are held by one of the shareholders, decisions on issues falling within the competence of the General Shareholders Meeting of the Company shall be taken by such shareholder individually and shall be executed in writing. The provisions of the Federal law "On Joint-Stock Companies" and this Charter defining the procedure and terms of preparation, convocation and holding of General Shareholders Meeting shall not apply with the exception of provisions relating to the period for holding the annual General Shareholders Meeting.

If the liquidation Commission is appointed, the latter will have all the powers in relation to managing the Company.

The powers of the sole executive body of the Company may be transferred by agreement to the Managing Organization (Manager).

12.2. There is no audit commission in the Company.

12.3. The Board of Directors of the Company shall not be elected, and its functions shall be performed by the General Shareholders Meeting of the Company. Issues related to the preparation, convening and holding of General Shareholders Meetings of the Company are within the competence of the sole executive body of the Company.

The provisions of the applicable laws that in certain cases decisions on issues falling within the competence of the General Shareholders Meeting of the Company are only be taken at the recommendation of the Board of Directors shall not be applied.

### **13. COMPETENCE OF THE GENERAL SHAREHOLDERS MEETING OF THE COMPANY**

13.1. The supreme governing entity of the Company shall be the General Shareholders Meeting.

13.2. The competence of the General Shareholders Meeting of the Company includes the issues as follows:

1) amendments and additions to the Charter of the Company or approval of the Charter of the Company in a new version.

2) reorganization of the Company.

3) liquidation of the Company, appointment of a liquidation commission and approval of interim and final liquidation balances.

4) formation of the sole executive body of the Company, as well as early termination of its powers;

5) making a decision on transferring the powers of the sole executive body of the Company under a contract with a commercial organization (Managing Organization) or an individual entrepreneur (Manager);

6) making a decision on early termination of the powers of the Managing Organization or Manager;

7) giving consent to a person performing the functions of a sole executive body to combine offices in the governing bodies of other organizations;

8) determination of a person authorized on behalf of the Company to sign an agreement with the sole executive body and Managing Organization (Manager);

9) approval of an auditor and determination of the amount of remuneration for its services;

10) decisions on the quantity, nominal value and category (type) of authorized shares, as well as the rights issuing from these shares.

11) increase of the charter capital by means of increasing the nominal value of shares;

12) increase of the charter capital of the Company by means of distributing additional shares;

13) reduction of the Company's charter capital by reduction of the nominal value of shares, by acquisition by the Company of the shares in order to reduce their overall quantity, as well as by redemption of the shares acquired or purchased by the Company (shares held by the Company);

14) splitting and consolidation of shares;

15) placement by the Company of bonds and other issuance securities, in cases stipulated by the Federal Law "On Joint-Stock Companies".

16) determining of the price (pecuniary valuation) of property, placement price, procedure for determining it and repurchase price of the issuance securities in cases stipulated by the Federal Law "On Joint-Stock Companies";

17) acquisition by the Company of outstanding shares, bonds and other securities in cases stipulated by the Federal law "On Joint-Stock Companies" and other federal laws;

18) approval of the Company's annual report, annual accounting (financial) statements, as well as distribution of profit (including payment (declaration) of dividends, except for payment (declaration) of dividends based on the results for the first quarter, six months and nine months of a financial year) and losses on the result of a financial year;

19) resolutions of matters on approval or subsequent execution of transactions with related parties in cases prescribed by Article 83 of the Federal law "On Joint-Stock Companies";

20) resolutions of matters on execution or subsequent approval of major transactions in cases prescribed by Article 79 of the Federal law "On Joint-Stock Companies";

21) adoption of decisions for participating in financial and production groups, associations and other commercial organization unions;

22) deciding on participation and termination of the Company's participation in other entities;

23) adoption of resolutions on creation of branches and opening of representative offices as well as on their liquidation, approval of their regulations;

24) approval of internal documents governing the activities of the Company's bodies, including regulations governing the activities of management and control bodies (sole executive body), except for internal documents, approval of which is in the competence of the sole executive body in accordance with this Charter;

25) determining the list of additional documents required to be kept by the Company;

- 26) payment (declaration) of dividends based on the results of the first three, six and nine months of the financial year;
- 27) making a decision on the audit of the Company's financial and economic activities;
- 28) defining priority directions for the Company, including approval of annual budgets of the Company;
- 29) use of the Company's reserve fund and other funds;
- 30) approval of the Company's Registrar and terms of the agreement with the Registrar, as well as termination of the agreement with the latter;
- 31) approval of material terms of any transactions in excess of Five (5) million US dollars, except for:
  - transactions concluded between organizations that are part of the same group of persons as the Company;
  - transactions made in the course of ordinary business activities related to the production and marketing of products of organizations being part of the same group of persons as the Company, under regular conditions for such transactions, if conclusion of such transactions will not result in significant failure to fulfill the indicators of the approved business plan, investment program or other similar documents;
- 32) approval of material terms of any investment transactions executed outside the normal scope of business or outside the normal territory of business, regardless of the amount;
- 33) approval of material terms of the proposed shareholder agreements, joint venture agreements or other similar agreements;
- 34) other issues provided for by the Federal Law "On Joint-Stock Companies" and this Charter.

#### **14. RESOLUTION OF THE GENERAL SHAREHOLDERS MEETING**

14.1. Resolutions of the General Shareholders Meeting on a voting issue shall be made by a majority of votes of the shareholders holding the voting shares and present at the meeting, unless otherwise set by the Federal law "On Joint-Stock Companies" and this Charter.

14.2. Resolution on issues specified in paragraph 10,17 clause 13.2 of this Charter shall be taken by a majority of three-fourths of the votes of shareholders holding the voting shares and present at the General Shareholders Meeting, unless otherwise set by the Federal law "On Joint-Stock Companies".

14.3. Decisions on matters specified in paragraphs 1-6, 9, 11-13, 18-20, 22, 26-28, 30 clause 13.2 of this Charter shall be adopted by the General Shareholders Meeting unanimously.

14.4. The General Shareholders Meeting shall not be entitled to decide on any issues other than included into agenda, and amend the agenda, except for the cases when all shareholders of the Company were present when adopting a decision not included into the agenda of the General Shareholders Meeting or when changing the agenda of the General Shareholders Meeting.

14.5. In conducting the General Shareholders Meeting in the form of a meeting (simultaneous presence of the shareholders for discussing the agenda and passing resolution on the issues put to the vote) information and communication technologies can be used to provide the possibility for remote participation at the General Shareholders Meeting, discussion of agenda issues and passing resolution on the issues put to the vote without the presence at the place of venue of the General Shareholders Meeting.

#### **15. GENERAL SHAREHOLDERS MEETING OF THE COMPANY USING ABSENTEE VOTING**

15.1. Resolution of the General Shareholders Meeting may be passed without holding a meeting (simultaneous presence of the shareholders for discussing the agenda and passing resolution on the issues put to the vote) by absentee voting.

15.2. The General Shareholders Meeting of the Company the agenda of which includes issues on approval of auditor and approval of the annual report, annual accounting (financial) statements of the Company may not be held in the form of absentee voting.

#### **16. ANNUAL GENERAL SHAREHOLDERS MEETING**

16.1. The Company shall hold an Annual General Shareholders Meeting every year.

16.2. The Annual General Shareholders Meeting shall be held within a period that cannot be earlier than two months and later than six months after the end of the financial year.

16.3. The agenda of the Annual General Shareholders Meeting shall include the issues stipulated by the Federal law "On Joint-Stock Companies" for the Annual General Shareholders Meeting.

#### **17. RIGHT TO PARTICIPATE IN THE GENERAL MEETING OF SHAREHOLDERS**

17.1. The list of persons entitled to participate in the General Shareholders Meeting is drawn up in accordance with the rules of the legislation on securities of the Russian Federation in order to compile a list of persons exercising rights under securities.



17.2. The date on which persons entitled to participate in the General Shareholders Meeting of the Company shall be determined (fixed) may not be earlier than 10 days from the date of resolution on holding the General Shareholders Meeting of the Company and more than 25 days before the date of the General Shareholders Meeting of the Company, and in cases stipulated by paragraphs 2 and 8, Article 53 of the Federal Law "On Joint-Stock Companies" - more than 55 days before the date of the General Shareholders Meeting of the Company.

In case of the General Shareholders Meeting, the agenda of which contains an item on reorganization of the Company, the date on which the persons entitled to participate in such meeting are determined (fixed) may not be set more than 35 days before the date of the General Shareholders Meeting.

17.3. The list of persons entitled to participate in the General Shareholders Meeting of the Company, except for information on the expression of will of such persons, shall be provided by the Company for introduction on request of persons included to the list and owning of no less than one percent of the votes. At the same time, information allowing to identify individuals included in this list, except for surname, first name, patronymic, is provided only with the consent of these individuals.

## **18. NOTICE OF A GENERAL SHAREHOLDERS MEETING**

18.1. The notice of holding of the General Shareholders Meeting of the Company shall be made no later than 21 days in advance, and the notice of holding of the General Shareholders Meeting, the agenda of which contains an item on the reorganization of the Company, - no later than 30 days in advance.

In cases stipulated by paragraphs 2 and 8, Article 53 of the Federal Law "On Joint-Stock Companies", a notice of holding of the General Shareholders Meeting shall be made no later than 50 days before the date of the meeting.

18.2. Within the terms specified in paragraph 18.1, Article 18 of this Charter, the notice of holding of the General Shareholders Meeting shall be brought to the notice of the persons entitled to participate in the General Shareholders Meeting and registered in the shareholders register of the Company by sending registered letters or delivery against receipt.

18.3. Information (materials) to be provided to the persons entitled to participate in the General Shareholders Meeting of the Company in preparation for the General Shareholders Meeting of the Company include Company's annual report, annual financial statements, auditor's report on it, data on candidate (candidates) to executive bodies, audit commission, draft changes and amendments to the Company's charter or a draft company's Charter in new edition, draft internal documents of the Company subject to approval by the General Shareholders Meeting, draft resolutions of the General Shareholders Meeting of the Company, information provided for in Article 32.1 of the Federal law "On joint-stock companies" regarding shareholders agreements concluded during the year prior to the date of the General Shareholders Meeting, and the conclusion of the Company's sole executive body regarding a major transaction.

18.4. The information (materials) stipulated in paragraph 18.3 of the Charter shall be available within 20 days, and in case of the General Shareholders Meeting of the Company, the agenda of which contains an item on reorganization of the Company, within 30 days prior to the General Shareholders Meeting of the Company, for the persons entitled to participate in the General Shareholders Meeting for introduction at the office of the executive body of the Company and in other places, the addresses of which are specified in the notice of the General Shareholders Meeting. The said information (materials) shall be available for the persons participating in a General Shareholders Meeting while it is being held.

At the request of a person entitled to attend the General Shareholders Meeting, the Company shall provide him/her with copies of the said documents. Any charge collected by the Company for providing such copies shall not exceed the cost of their production.

## **19. PROPOSALS ON THE AGENDA OF THE GENERAL SHAREHOLDERS MEETING**

19.1. Shareholders (shareholder) possessing no less than 2 per cent of voting shares of the Company shall have the right to propose issues to the agenda of the Annual General Shareholders Meeting and nominate candidates for Counting Commission, the number of which shall not exceed the total number of members of the corresponding body as well as the candidate to the position of the sole executive body. Such nominations shall be received by the Company no later than 30 days upon the end of a financial year.

19.2. The sole executive body shall consider the received proposals and decide to include them into the agenda of the General Shareholders Meeting or to refuse to include into the specified agenda later than five days after the end of the terms established by paragraphs 1 and 2, Article 53 of the Federal Law "On Joint-Stock Companies".

19.3. The motivated decision of the sole executive body of the Company on refusal to include the issue into the agenda of the General Shareholders Meeting, or include the candidate into the candidate list for the corresponding body of the Company, shall be sent to the shareholders (shareholder), who proposed the issue to the agenda or a candidate, not later than three days after such decision was made.

19.4. The sole executive body shall not be entitled to amend the wording of items on the agenda, the wording of resolutions on such items of the General Shareholders Meeting.

19.5. In addition to the issues proposed by the shareholders for inclusion into the agenda of the General Shareholders Meeting of the Company, as well as the candidates proposed by the shareholders for formation of the corresponding body, the sole executive body of the Company shall be entitled to put issues on the agenda of the General Shareholders Meeting or candidatures into the list of candidatures on its initiative. The number of candidates proposed by the Company's sole executive body shall not exceed the total number of members of the corresponding body.

## **20. EXTRAORDINARY GENERAL SHAREHOLDERS MEETING**

20.1. An Extraordinary General Shareholders Meeting of the Company shall be held based on a resolution of the sole executive body of the Company upon its own initiative, the Company's auditor, as well as shareholders (shareholder) possessing at least 10 percent of voting shares of the Company as of the date of submission of the request.

The convening of an Extraordinary General Shareholders Meeting at the request of the Company's auditor or shareholders (shareholder) possessing at least 10 percent of the Company's voting shares shall be performed by the Company's sole executive body.

20.2. The request for convocation of the Extraordinary General Shareholders Meeting shall include issues to be put on the agenda thereof. The request for convocation of the Extraordinary General Shareholders Meeting may include the wording of resolutions on each of these issues as well as proposal regarding the form of the General Shareholders Meeting. If the request for convocation of the Extraordinary General Shareholders Meeting contains a proposal to nominate candidates, such proposal shall be subject to the relevant provisions of Article 53 of the Federal Law "On Joint-Stock Companies".

20.3. Within five days from the date of submission of the request of the Company's auditor or shareholders (shareholder) who are owners of at least 10 percent of the Company's voting shares, for convocation of an Extraordinary General Shareholders Meeting of the Company by the sole executive body of the Company the resolution to convene an extraordinary general shareholders meeting or to refuse its convocation shall be passed.

20.4. The resolution of the Company's sole executive body to convene the Extraordinary General Shareholders Meeting or the resolution to reasonably refuse from its convocation shall be forwarded to the persons requesting such convocation not later than three days after such resolution is passed.

## **21. PROCEDURE FOR PARTICIPATION OF SHAREHOLDERS IN THE GENERAL SHAREHOLDERS MEETING OF THE COMPANY**

21.1. The right to participate in the General Shareholders Meeting is exercised by a shareholder either personally or through a representative.

A shareholder may at any time replace his/her representative in the General Shareholders Meeting of the Company or personally attend the General Shareholders Meeting.

21.2. In case of transfer of a share after the date of drawing the list of persons entitled to participate in the General Shareholders Meeting of the Company's and before the date of the General Shareholders Meeting of the Company, a person included in this list shall issue a power of attorney to the transferee for voting or vote at the general meeting in accordance with the acquirer's instructions, if it is stipulated in the transfer agreement.

## **22. MINUTES OF THE GENERAL SHAREHOLDERS MEETING**

22.1. The minutes of a General Shareholders Meeting shall be drawn up in two copies not later than three business days after the General Shareholders Meeting is closed. Both copies are signed by the Chairman of the General Shareholders Meeting and the Secretary of the General Shareholders Meeting.

22.2. The minutes of the General Shareholders Meeting of the Company shall specify:

place and time of the General Shareholders Meeting;

total number of votes held by the shareholders owning voting shares in the company;

number of votes held by the shareholders attending the meeting;

Chairman and Secretary of the meeting, agenda of the meeting

The minutes of the General Shareholders Meeting of the Company shall contain the key points of the speeches, the issues put to the vote and the results of voting on them, resolutions adopted by the meeting.

## **23. EXECUTIVE BODY OF THE COMPANY**

23.1. The day-to-day activity of the Company shall be managed by the sole executive body (General Director). The sole executive body of the Company reports to the General Shareholders Meeting of the Company.

23.2. The authorities of the sole executive body of the Company shall be transferred under a contract

with a commercial organization (Managing Organization) or an individual entrepreneur (Manager).

In case of transfer of the authorities of the Company's sole executive body to a Managing organization or a Manager, the Company shall acquire civil rights and assume civil obligations through a Managing organization or a Manager in accordance with sub-paragraph 1, paragraph 1, Article 53 of the Civil Code of the Russian Federation.

Any and all issues related to the management of the current activities of the Company are referred to the competence of the sole executive body of the Company, except for the issues referred to the competence of the General Shareholders Meeting.

The sole executive body of the Company shall make arrangements and ensure implementation of resolutions passed by the General Shareholders Meeting of the Company.

The sole executive body shall act without a power of attorney on the Company's behalf, including the representation of its interests, making transactions on behalf of the Company, within the limits established by the Federal law "On Joint-Stock Companies" and this Charter, approving its personnel, issuing orders and instructions that shall be binding upon all of the Company's employees.

The sole executive body shall approve, make changes and / or supplements, and shall cancel local normative acts (internal documents) of the Company that establish Regulations (rules) of general effect intended to regulate management, administrative, business, production, labor and associated organizational issues, including regulations on recruitment, personnel, job descriptions for each position, regulations governing internal code of conduct, remuneration and bonuses for personnel, occupational health and safety, investigation of accidents at work, night pays, overtime work, regulations on staff professional development, workplace labor conditions compliance certification, personal data, access control procedure, shift schedule, leave schedules, regulations on procedure and prerequisites for granting additional leave, pecuniary liability, procedure and amount of reimbursement of expenses related to business trips, document and record management, regulations on the Company's structural divisions.

23.3. Rights and obligations, terms and amounts of remuneration for the services of the General Director shall be determined by an agreement concluded by the General Director with the Company. The contract shall be signed on behalf of the Company by the Chairman of the General Shareholders Meeting of the Company or a person authorized by the resolution of the General Shareholders Meeting of the Company. The rights and obligations of a Managing organization or a Manager to manage the Company's day-to-day activities shall be determined by the Federal Law "On Joint-Stock Companies", other legal acts of the Russian Federation and an agreement concluded by the Managing organization (Manager) with the Company. The contract shall be signed on behalf of the Company by the Chairman of the General Shareholders Meeting of the Company or a person authorized by the resolution of the General Shareholders Meeting of the Company.

23.4. The General Director shall be elected by the General Shareholder Meeting for a term of 5 (Five) years.

The authorities of the General Director shall be effective from the moment of his/her election until the formation of the sole executive body of the Company in the next 5 (Five) years by resolution of the General Shareholders Meeting of the Company.

If the General Shareholders Meeting of the Company fails to pass a resolution on election of the General Director, the authorities of the current General Director shall continue until the General Shareholders Meeting of the Company establishes the sole executive body of the Company.

Authorities of the Managing organization (Manager) are valid from the moment specified in the contract on transfer of authorities of the sole executive body of the Managing organization, until the next in 5 (Five) years Annual General Shareholders Meeting (annual decision of the sole shareholder) of the Company, which would decide on termination of the contract or its extension (prolongation).

23.5. The General Shareholders Meeting of the Company shall be entitled at any time to take a decision on early termination of authorities of the sole executive body of the Company (General Director) and on formation of a new executive body.

The General Shareholders Meeting of the Company shall also be entitled at any time to decide on early termination of the authorities of a Managing organization or a Manager.

## **24. RESPONSIBILITY OF THE SOLE EXECUTIVE BODY OF THE COMPANY**

24.1. The sole executive body (General Director) of the Company, temporary sole executive body as well as a Managing organization or a Manager, in exercising their rights and performing their duties, shall act in the interests of the Company, exercise their rights and perform their duties with respect to the Company in good faith and reasonably.

24.2. The sole executive body (General Director) of the Company, temporary sole executive body as well as a Managing organization or a Manager shall be liable to the Company for losses caused to the Company by their culpable actions (inaction), unless other grounds and amount of liability are established by federal laws.

While determining the grounds of liability and the scope of responsibility of the sole executive body of the Company (General Director) as well as a Managing organization and a Manager, common business practice and other relevant circumstances shall be taken into account.

24.3. A shareholder shall have the right to file a claim in court against the sole executive body of the Company (General Director), temporary sole executive body, as well as against the Managing organization or the Manager for compensation of losses incurred by the Company in the case provided for in sub-clause 1, clause 24.2 of this Charter.

## **25. FUNDS OF THE COMPANY. FINANCIAL ACCOUNTING AND REPORTING**

### **Reserve fund of the Company**

25.1. The Company shall create a reserve fund in the amount of **5 (Five)** per cent of its charter capital. Annual allocations to the Company's reserve fund shall amount to **5 (Five)** percent of the Company's net profit. Such allocations shall be made until the amount specified in this Charter is reached.

### **Financial accounting and reporting**

25.2.

For annual audit and confirmation of the annual financial statements the Company shall involve the Auditor not connected by property interests with the Company and its shareholder.

## **26. PROVISION OF INFORMATION BY THE COMPANY TO THE SHAREHOLDERS**

26.1. The Company shall provide the shareholder with access to the documents provided for in clauses 1 - 3 and 5, Article 91 of the Federal Law "On Joint-Stock Companies", as well as other documents the storage duty of which is provided for in clause 89, Article 1 of the Federal Law "On Joint-Stock Companies". The sole shareholder shall have the right of access to the accounting documents.

26.2. The documents stipulated by clauses 1-3 and 5, Article 91 of the Federal Law "On Joint-Stock Companies" shall be provided for review upon request to the shareholders within 7 (Seven) days from the date of the relevant request on the premises of the Company's executive body. At the shareholder's request, the Company shall provide copies of the documents specified in clauses 1-3 and 5, Article 91 of the Federal Law "On Joint-Stock Companies" as well as copies of other documents, the storage duty of which is stipulated by clause 1, Article 89 of the Federal Law "On Joint-Stock Companies". Any charge collected by the Company for providing such copies shall not exceed the cost of their production and, if the request specifies the need to send them to the address specified by the shareholder, the corresponding shipping costs.

26.3. At the request of a shareholder, auditor or any interested party, the Company shall provide them with an access to the Company's Charter, including amendments and supplements thereto, within a reasonable time. The Company shall provide the shareholder with a copy of the existing Charter of the Company upon his/her request. Any charge collected by the Company for providing such copies shall not exceed the cost of their production.

## **27. SIGNIFICANT TRANSACTIONS OF THE COMPANY**

27.1. Resolutions to consent to the execution or to approve subsequently major transactions (several interrelated transactions) beyond the ordinary course of business involving property the cost or book value of which is 25 (twenty-five) percent or more of the book value of the Company's assets determined based on its accounting (financial) statements as of the last reporting date, in cases stipulated by the Federal Law "On Joint-Stock Companies", shall be adopted by the General Shareholders Meeting.

## **28. TRANSACTIONS WITH RELATED PARTIES**

28.1. Resolutions to consent to the execution or to approve subsequently major transactions in which there is an interest of the sole executive body, a controlling organization of the Company, or a person who has the right to give the Company mandatory instructions in cases provided for by the Federal law "On Joint-Stock Companies", shall be taken by the General Shareholders Meeting of the Company.

## **29. REORGANIZATION OF THE COMPANY**

29.1. The Company may be voluntarily reorganized by resolution of the General Shareholders Meeting. Other grounds and procedure of reorganization of the Company are stipulated by the applicable laws of the Russian Federation.

29.2. The Company may be reorganized in the form of merger, amalgamation, splitting-off, appropriation and transformation into another legal form in accordance with the procedure provided for by the Federal Law "On Joint-Stock Companies".

29.3. In the event of reorganization of the Company which provides for termination of the Company's

activity, the sole executive body shall appoint a commission which shall carry out a complete inventory of data carriers constituting commercial secrets, after which the said carriers shall be transferred to the Company's successor under an act approved by the sole executive bodies of both organizations.

### **30. LIQUIDATION OF THE COMPANY**

30.1. The Company may be liquidated voluntarily or by resolution of the General Shareholders Meeting in cases and according to the procedure stipulated by the applicable laws of the Russian Federation.

30.2. In cases stipulated by the applicable laws of the Russian Federation, the Company shall take a decision on its voluntary liquidation.

30.3. If, in the event of voluntary liquidation of the Company, its assets are insufficient for settlements with all of the Company's creditors, the Chairman of the Liquidation Commission (Liquidator) of the Company appointed by resolution of the General Shareholders Meeting shall apply to the arbitration court with a request to implement a simplified bankruptcy procedure for the Company under the Federal Law "On Insolvency (Bankruptcy)".