

## **AGREEMENT No. 97ЭМ-6-2017**

### **on delegation of authority of sole executive body of ENERGOPROM Novosibirsk Electrode Plant Closed Joint-Stock Company to Management Company**

Moscow

June 30, 2017

**ENERGOPROM MANAGEMENT Joint Stock Company**, hereinafter referred to as the “MANAGEMENT COMPANY”, represented by Viktor Aleksandrovich Nechuyatov, General Manager, who acts on the basis of the Charter, of the one part, and

**ENERGOPROM Novosibirsk Electrode Plant Closed Joint-Stock Company**, hereinafter referred to as the “COMPANY”, represented by Marat Nazifovich Kharisov who acts on the basis of the Resolution of the Sole Shareholder of ENERGOPROM Novosibirsk Electrode Plant Closed Joint-Stock Company dated June 30, 2017, of the other part,

jointly referred to as the “Parties”, in compliance with Article 69 of the Federal Law On Joint-Stock Companies and the Resolution of the COMPANY’s Sole Shareholder dated June 30, 2017, have entered into this Agreement as follows:

#### **1. SCOPE OF THE AGREEMENT**

1.1. The COMPANY delegates an authority (rights and obligations) of the COMPANY’s sole executive body to the MANAGEMENT COMPANY, and the MANAGEMENT COMPANY agrees to exercise an authority (rights and obligations) of the COMPANY’s sole executive body in a reasonable manner and in good faith in compliance with this Agreement against a commission as defined herein.

#### **2. RIGHTS AND OBLIGATIONS OF THE MANAGEMENT COMPANY**

##### **2.1. The MANAGEMENT COMPANY has the following rights:**

2.1.1. to deal with any matters referred to the competence of the COMPANY’s sole executive body in compliance with the COMPANY’s Charter, laws of the Russian Federation, except as those referred to the exclusive competence of the COMPANY’s General Meeting and the Board of Directors;

2.1.2. without a power of attorney, to act for and on behalf of the COMPANY, to represent the COMPANY and appear in all businesses and nonprofit organizations, state authorities and local government bodies, mass media, before the COMPANY’s staff and unions both in the Russian Federation and (in jurisdiction of) other countries, to carry on correspondence with the above entities and individuals and sign any requests and documents including accounting documents for and on behalf of the COMPANY;

2.1.3. to carry out transactions and other legal acts on behalf of the COMPANY, issue power of attorney, open current and other accounts of the COMPANY in credit institutions, manage funds on such accounts and manage cash accounts of the COMPANY;

2.1.4. to dispose of the COMPANY’s property within the limits prescribed by the laws of the Russian Federation and the COMPANY’s Charter;

2.1.5. to determine and implement the COMPANY’s personnel policy on a stand-alone basis, which includes to manage the work of the COMPANY’s business units, to give the COMPANY’s employees instructions and tasks of binding effect, to approve and change the table of organization and staffing table, to enter into and terminate labor contracts with employees, to make and implement decisions on transfer or movement of employees, to settle matters of employees’ business trips and to execute business trip permits, to settle matters of granting leaves, to apply rewards and sanctions as provided by the law, to effect arrangements of enhancement of the employees’ social security;

2.1.6. if required, to request the General Meeting, the Board of Directors, the shareholders

and/or employees of the COMPANY for any documents and information related to the COMPANY's activities. Such documents and information shall be provided to the MANAGEMENT COMPANY depending on the time required for such documents and information to be prepared;

2.1.7. transact in securities (interest in share capital), to perfect rights for such securities or interest in the shareholder register and to do whatever is necessary for such action before the issuer, registrar, depository and other entities, and to receive any information related to the COMPANY from them;

2.1.8. on behalf of the COMPANY, to take any proceedings provided by the Arbitration Procedure Code of the Russian Federation, Civil Procedure Code of the Russian Federation, regulations and rules of foreign and arbitration court practices, including without limitation: to sign a claim and bring it to court, and to sign a defence to a claim, application for a provisional remedy and for transferring the matter to an arbitration tribunal, to apply for the whole or partial withdrawal of claims, to plead no defense, to change the grounds or subject of the claim, to enter into an out-of-court settlement and agreement on findings of fact, to sign petitions for review of judicial acts upon discovery of new facts, to appeal against the judicial acts of arbitration court and other courts, to receive adjudged sums of money or other property;

2.1.9. on behalf of the COMPANY, to carry out any actions provided by the laws on enforcement proceeding, including without limitation: to exhibit and withdraw an enforcement document, to appeal against actions of bailiff and executor of justice, to receive the adjudged property and (or) money;

2.1.10. on behalf of the COMPANY, to exercise any rights of the shareholder (participant) which includes: to cast all the votes owned by the COMPANY in the general meetings of shareholders (participants), to request companies or their registrars for any information and receive it, to receive extracts from registers;

2.1.11. to repudiate this Agreement at any time subject to compliance with the termination procedure defined in Article 10 hereof.

## **2.2. The MANAGEMENT COMPANY has the following obligations:**

2.2.1. to exercise its rights in good faith and on reasonable grounds and to take care of the COMPANY's affairs in the same manner as of its own affairs;

2.2.2. to ensure effective and sustainable work of the COMPANY, planning and financial and operating activities of the COMPANY that are required for further development of production and social aspect to the COMPANY's best advantage;

2.2.3. to keep confidential the information which is the COMPANY's trade secret and which became known to the MANAGEMENT COMPANY due to the performing of functions of the COMPANY's sole executive body;

2.2.4. to ensure effective interaction between the COMPANY's business units and the MANAGEMENT COMPANY's business units;

2.2.5. to ensure arrangement, proper state and faithfulness of the accounting in the COMPANY;

2.2.6. to ensure duly submission of finance and operating documents to the appropriate authorities as provided and defined by the laws of the Russian Federation;

2.2.7. to ensure implementation of the decisions of the General Meeting and the Board of Directors of the COMPANY, to report to the Board of Directors and the General Meeting of the COMPANY as provided by the laws of the Russian Federation and the COMPANY's Charter;

2.2.8. to facilitate promotion of the COMPANY's activity, to monitor preparation, distribution and publication of the information on the COMPANY's activities including advertising materials;

2.2.9. to take actions to provide skilled employees to the COMPANY, to use properly the employees' knowledge and experience capacities and to improve their skills level;

2.2.10. to ensure compliance with health and safety requirements in the COMPANY, Internal Labor Regulations and other rules and regulations applicable in the COMPANY, and the provisions of labor contracts. To bring material, disciplinary and other actions against the COMPANY's employees in due time as applicable;

2.2.11. to do whatever is necessary to protect and keep confidential the information that constitutes a state secret (confidential data) in compliance with the applicable laws of the Russian Federation, including without limitation:

to withhold the data that constitutes a state secret from those who are not authorized by the COMPANY's competent officer to the date of this Agreement to become familiarized with the data that constitutes a state secret other than through receiving (issuing) an appropriate authorization as prescribed by the laws of the Russian Federation;

2.2.12. to revoke (withdraw) all power of attorney (certificates of empowerment) issued by the MANAGEMENT COMPANY's representatives to represent interests and act for and (or) in behalf of the COMPANY within 10 days upon termination of this Agreement.

### **3. RIGHTS AND OBLIGATIONS OF THE COMPANY**

#### **3.1. The COMPANY has the following rights:**

3.1.1. to exercise control over activities of the MANAGEMENT COMPANY through its own governing and control bodies;

3.1.2. to decline the MANAGEMENT COMPANY's services under this Agreement if the termination procedure defined by Article 10 of this Agreement is complied with and the fee provided by Article 7 of this Agreement and the historical expenses that are actually incurred by the MANAGEMENT COMPANY are paid.

#### **3.2. The COMPANY has the following obligations:**

3.2.1. to pay fees to the MANAGEMENT COMPANY and reimburse it for expenses in accordance with the terms and conditions of the Agreement;

3.2.2. to create the appropriate conditions for the MANAGEMENT COMPANY required for fulfillment of its obligations and exercise of its rights; not to interfere with the MANAGEMENT COMPANY's activities without good reason under this Agreement.

3.2.3. to provide for the MANAGEMENT COMPANY (the officers appointed to the MANAGEMENT COMPANY) with office premises, means of communication including mobile telephony, office machines and equipment, motor vehicles, domestic and international flight tickets, and housing at the location of the COMPANY if required, at the COMPANY's own expense. A list of those who have the right to use the company vehicles, means of communication and premises is made on the basis of written requests of the MANAGEMENT COMPANY.

3.2.4. to book and purchase railway tickets and domestic and international flight tickets for the MANAGEMENT COMPANY's employees who have their base workplaces in Novosibirsk, at the MANAGEMENT COMPANY's expense.

The COMPANY's expenses under this Agreement including without limitation the expenses listed in Paragraph 3.2.4 and feasibility and necessity of which was documented by the COMPANY and accepted by the MANAGEMENT COMPANY, are subject to reimbursement to the COMPANY by the MANAGEMENT COMPANY on the basis of the COMPANY's invoice attaching copies of source documents supporting the incurred expenses, within ten (10) business days after issuing the invoice.

### **4. ARRANGEMENT OF MANAGEMENT IN THE COMPANY**

4.1. The General Manager of the MANAGEMENT COMPANY exercises his rights and obligations under this Agreement regarding the direct governance of the COMPANY by issuing instructions (directions, orders), verbally or in writing, to the COMPANY's employees, and by arranging interaction between the MANAGEMENT COMPANY's business units and employees and the COMPANY's business units and employees.

The General Manager of the MANAGEMENT COMPANY exercises his rights and obligations under this Agreement regarding representation of the COMPANY's interests directly, without additional resolutions and power of attorney, and by granting the required authority to employees of the Managing COMPANY and (or) the COMPANY. Other corporations and individuals shall only act on behalf of the COMPANY on the basis of power of attorney issued by

the MANAGEMENT COMPANY (its sole executive body) as required by Article 185 of the Civil Code of the Russian Federation, within the authority stated in the power of attorney. A person that performs management of the COMPANY on behalf of the MANAGEMENT COMPANY is referred to as the MANAGEMENT COMPANY's Representative when performing such management.

4.2. Internal structural units and employees of the MANAGEMENT COMPANY may be authorized by the General Director of the MANAGEMENT COMPANY to interact with internal structural units and employees of the COMPANY including the right to give mandatory instructions and assignments.

4.3. Transactions and other legally significant actions carried out by the sole executive body (General Director) of the MANAGEMENT COMPANY and other designated persons in the process of managing activities of the COMPANY produce legally significant consequences for the COMPANY directly, without prior authorization or subsequent approval by other governing bodies of the MANAGEMENT COMPANY or COMPANY, except as otherwise specified by the legislation of the Russian Federation.

4.4. The MANAGEMENT COMPANY may manage activities of the COMPANY with the involvement of third parties, including through the conclusion of relevant transactions.

4.5. The official correspondence between the MANAGEMENT COMPANY and the COMPANY, including in the cases provided for by this Agreement, shall be carried out on behalf of the COMPANY by the Chairman of the Board of Directors or other person authorized by shareholders of the COMPANY.

## **5. PAYMENTS UNDER TRANSACTIONS CONDUCTED BY THE COMPANY**

5.1. Payments under transactions of the COMPANY shall be made by the MANAGEMENT COMPANY from accounts of the COMPANY.

5.2. Revenues from transactions of the COMPANY shall be transferred to the appropriate accounts of the COMPANY.

5.3. Tax payments and other compulsory payments of the COMPANY shall be made from the COMPANY's accounts as defined by legal acts of the Russian Federation. When provided by the laws of the Russian Federation, tax payments and other compulsory payments may be made from the accounts of the MANAGEMENT COMPANY or third parties.

## **6. LIABILITY OF THE PARTIES**

6.1. The Parties shall be liable for wrongful acts or omissions resulting in non-performance or improper performance of their obligations under the Agreement in accordance with the applicable legislation of the Russian Federation.

6.2. The application of the liability provided for by the Agreement to either Party shall not result in termination of obligations under the Agreement.

6.3. The MANAGEMENT COMPANY shall not be liable for the losses incurred due to the circumstances arising prior to the entry into force of the Agreement.

6.4. The MANAGEMENT COMPANY shall not be liable for the losses caused to the COMPANY by the MANAGEMENT COMPANY's actions (omissions) made on the basis of an express decision of the General Meeting of Shareholders or the Board of Directors of the COMPANY.

6.5. Losses that were caused to the COMPANY and which may be referred to those of ordinary commercial and operating risks are not subject to reimbursement. In determining the grounds and amount of the PARTIES' liability, common business practice and other material circumstances shall be taken into account.

6.6. The Parties shall not be held liable if, using the degree of care and diligence required from the Parties by the nature of the obligations and terms of business practices, the Parties have taken all the measures for proper performance of obligations and/or if there are force majeure circumstances.

## **7. MANAGEMENT COMPANY FEE AND REIMBURSEMENT**

7.1. The COMPANY shall pay to the MANAGEMENT COMPANY a fee for the management services in the amount specified in Appendix No. 1 to the Agreement. The fee shall be paid within 10 days from the date of issuing an invoice for the services (hereinafter referred to as the "Invoice") in accordance with par. 8.1. of the Agreement.

7.2. The Parties shall make all payments under the Agreement:

- a) in non-cash form by issuing payment orders;
- b) by transferring funds to the bank accounts of the Party specified in the Agreement unless the receiving Party specifies its other bank account or bank account of a third person;
- c) in Russian rubles at the exchange rate of the Central Bank of Russia effective on the date of the actual payment;
- d) in a lump sum unless otherwise is agreed by the Parties.

7.3. The expenses of the MANAGEMENT COMPANY under this Agreement, feasibility and necessity of which were confirmed by the MANAGEMENT COMPANY with the relevant documents and accepted by the COMPANY, shall be reimbursed to the MANAGEMENT COMPANY by the COMPANY on the basis of an invoice issued by the MANAGEMENT COMPANY and accompanied by copies of the source documents substantiating the incurred expenses within ten (10) business days after issuing the invoice.

7.4. The COMPANY shall not be responsible for the payment of any salaries, wages or other remuneration of full-time employees of the MANAGEMENT COMPANY.

7.5. The MANAGEMENT COMPANY shall have the right, not later than three (3) months after the date of payment of the expenses to be reimbursed for the reporting month, to issue an additional invoice for the expenses that were not taken into account in a timely manner for any reason by the MANAGEMENT COMPANY and claimed to be reimbursed by the COMPANY for the designated period.

7.6. The amount of the fee payable to the MANAGEMENT COMPANY and the list and amount of the expenses to be reimbursed to the MANAGEMENT COMPANY may be modified (revised) by the Parties by concluding supplemental agreements to this Agreement.

## **8. PROCEDURE FOR DELIVERY AND ACCEPTANCE OF SERVICES RENDERED**

8.1. After expiration of the period of time (month) during which the services were being provided to the COMPANY, the MANAGEMENT COMPANY shall send a Report on Services Rendered (hereinafter referred to as the "Report") and the Invoice to the COMPANY by the 25th day of the following month.

8.2. The COMPANY shall consider the Report within ten (10) business days after the date of receiving the Report and the Invoice and either pay to the MANAGEMENT COMPANY for the services rendered based on the Invoice or send to the MANAGEMENT COMPANY a written reasonable refusal to pay for the services (hereinafter referred to as "objections to the Report").

8.3. Within five (5) business days after the date of receiving the Report by the COMPANY and if the COMPANY has no objections to the Report, the MANAGEMENT COMPANY shall sign and send to the COMPANY an acceptance certificate of services rendered (hereinafter referred to as the "Acceptance Certificate"). The COMPANY shall send its copy of the Acceptance Certificate to the MANAGEMENT COMPANY within five (5) business days after the date of receiving it.

8.4. It is allowed to sign Invoices and Acceptance Certificates with a facsimile signature.

## **9. TERM OF THE AGREEMENT. ENTRY INTO FORCE.**

9.1. This Agreement shall enter into force after its signing and shall remain in effect until the next annual meeting of shareholders in 5 years, and in terms of settlement it shall remain in effect until the Parties fully fulfill their obligations.

9.2. The COMPANY shall transfer its constituent instruments and seals to the MANAGEMENT COMPANY within five (5) calendar days after the date of this Agreement under a delivery and acceptance certificate. A person authorized by the COMPANY to sign this Agreement shall sign such delivery and acceptance certificate on behalf of the COMPANY, and the sole

executive body (General Manager) of the MANAGEMENT COMPANY shall sign it on behalf of the MANAGEMENT COMPANY.

9.3. The authority of the COMPANY's sole executive body (General Manager) shall be deemed as transferred to the MANAGEMENT COMPANY on the next day after signing the delivery and acceptance certificate by the PARTIES which is an integral part hereof.

## **10. TERMINATION OF THE AGREEMENT**

10.1. The Agreement may be terminated early as described below or in accordance with any other procedure specified in the Agreement and/or supplemental agreement of the Parties or as stipulated by the applicable legislation of the Russian Federation.

10.2. The Agreement may be terminated early by the COMPANY unilaterally at the same time with adoption by the General Meeting of Shareholders of the COMPANY of a resolution on early termination of powers of the MANAGEMENT COMPANY as an executive body of the COMPANY. In this case, the MANAGEMENT COMPANY shall be noticed on the resolution adopted at least sixty (60) days prior to termination of this Agreement.

10.2.1. The notice of termination of this Agreement shall be signed on behalf of the COMPANY by the Chairman of the Board of Directors and if the Chairman is absent, by other person authorized by the COMPANY's shareholders. The notice shall be accompanied by the documents on the basis of which it is given.

10.3. The MANAGEMENT COMPANY may repudiate this Agreement before maturity. In this case the COMPANY shall be notified of the decision at least thirty (30) days before termination of the Agreement.

10.3.1. The notice of the Agreement termination shall be signed by the sole executive body of the MANAGEMENT COMPANY or by the person acting in this capacity. The notice of termination shall be sent to the Chairman of the Board of Directors of the COMPANY or to other person authorized by the COMPANY's shareholders.

10.4. The MANAGEMENT COMPANY shall, upon receipt of the written notice specified in par. 10.2. of the Agreement and not later than within seventy (70) days after that, hand over and the COMPANY, represented by the newly established sole executive body (or temporary sole executive body), shall accept all the documents, seals and other materials necessary for the proper exercise of the powers of the sole executive body of the COMPANY.

10.5. The MANAGEMENT COMPANY shall, upon confirmation of receipt by the COMPANY of the notice specified in par. 10.3. and not later than forty (40) days, hand over and the COMPANY, represented by the newly established sole executive body (or temporary sole executive body), shall accept all the documents, seals and other materials necessary for the proper exercise of the powers of the sole executive body of the COMPANY.

## **11. MISCELLANEOUS**

11.1. The Agreement may be amended and supplemented as agreed by the Parties. All amendments and supplements to the Agreement shall be valid if made in writing and signed by the Parties, namely, the MANAGEMENT COMPANY's sole executive body or other designated person and the COMPANY's Chairman of the Board of Directors or other person authorized by the shareholders.

11.2. Any disputes concerning relations between the Parties under this Agreement shall be resolved through negotiations. The disputes that cannot be resolved through negotiations shall be submitted to the Moscow Arbitration Court.

11.3. The MANAGEMENT COMPANY cannot not assign its rights and obligations of the sole executive body under this Agreement.

11.4. If either Party is subject to reorganization, this Agreement shall be binding on successors of the Parties unless otherwise provided by legislation of the Russian Federation.

11.5. If any condition, obligation or provision of this Agreement becomes invalid or unenforceable, the remainder of the Agreement shall not be affected and all other conditions,

obligations and provisions shall be valid and enforceable to the full extent permitted by the applicable legislation of the Russian Federation.

11.6. This Agreement is signed in two copies, one copy for the COMPANY and one copy for the MANAGEMENT COMPANY.

11.7. ENERGOPROM - Novosibirsk Electrode Plant Closed Joint-Stock Company has been notified and hereby expresses its consent to the functions of MANAGEMENT COMPANY as the sole executive body of ENERGOPROM - Chelyabinsk Electrode Plant Public Joint Stock Company and ENERGOPROM - Novocherkassk Electrode Plant Public Joint Stock Company simultaneously with performance of this Agreement.

11.8. The conclusion of this Agreement shall not prevent the Parties from entering into and signing between themselves in accordance with requirements of the legislation of the Russian Federation (including as a part of bidding and tendering procedures, based on their results or without carrying out such procedures) any other transactions, not related to performance of this Agreement, including, among other things, contracts, agreements, protocols, proposals, statements, applications, offers, acceptances, annexes, letters, certificates and any other written forms.

## 12. DETAILS AND SIGNATURES OF THE PARTIES

### The COMPANY

#### **ENERGOPROM Novosibirsk Electrode Plant Closed Joint-Stock Company**

Address: Site of Novosibirsk Electrode Plant, Iskitim Region, Novosibirsk Oblast 633216, Russia  
OGRN (Primary State Registration Number) 1035404788715 dated April 2, 2003,  
INN (Taxpayer Identification Number) 5446112952, KPP (Registration Reason Code) 544301001,  
The Beneficiary's bank:  
UNICREDIT BANK JSC, MOSCOW  
BIC: 044525545  
Correspondent account: 30101810300000000545  
The Beneficiary's account:  
40702810100011335147

### The Representative

/signed/

\_\_\_\_\_  
/M.N. Kharisov/

/seal: • ENERGOPROM – NOVOSIBIRSK ELECTRODE PLANT • OGRN (Primary State Registration Number) 1035404788715 INN (Taxpayer Identification Number) 5446112952 • 633216 • NOVOSIBIRSK OBLAST • ISKITIM REGION • SITE OF NOVOSIBIRSK ELECTRODE PLANT • Closed Joint Stock Company **ENERGOPROM - Novosibirsk Electrode Plant** ENERGOPROM - NovEP Closed Joint Stock Company/

### The MANAGEMENT COMPANY

#### **ENERGOPROM MANAGEMENT Joint Stock Company**

Address: Room 6, 16 Malaya Dmitrovka Street, Moscow 127006  
OGRN (Primary State Registration Number) 1037731018082  
INN (Taxpayer Identification Number) 7731274602, KPP (Registration Reason Code) 770701001  
The Beneficiary's bank: UNICREDIT BANK JSC, MOSCOW  
BIC: 044525545  
Correspondent account No. 30101810300000000545  
The Beneficiary's account:  
40702810900011469352

### The General Director

/signed/

\_\_\_\_\_  
/V. A. Nechuyatov/

/seal: INN (Taxpayer Identification Number) 7731274602 \* JOINT-STOCK COMPANY \* OGRN (Primary State Registration Number) 1037731018082 \* MOSCOW  
\* Joint-stock company ENERGOPROM MANAGEMENT ENERGOPROM MANAGEMENT Joint Stock Company/

Bound, numbered and sealed eight (8) sheets

**The COMPANY**

**The MANAGEMENT COMPANY**

**ENERGOPROM Novosibirsk Electrode Plant  
Closed Joint-Stock Company**

**ENERGOPROM MANAGEMENT Joint  
Stock Company**

**The Representative**

**The General Director**

/signed/

/signed/

\_\_\_\_\_**/M.N. Kharisov/**

\_\_\_\_\_**/V. A. Nechuyatov/**

/seal: · ·ENERGOPROM – NOVOSIBIRSK ELECTRODE PLANT · OGRN (Primary State Registration Number) 1035404788715 INN (Taxpayer Identification Number) 5446112952 · 633216 · NOVOSIBIRSK OBLAST · ISKITIM REGION · SITE OF NOVOSIBIRSK ELECTRODE PLANT · Closed Joint Stock Company ENERGOPROM - Novosibirsk Electrode Plant **ENERGOPROM - NovEP Closed Joint-Stock Company/**

/seal: INN (Taxpayer Identification Number) 7731274602 \* JOINT-STOCK COMPANY \* OGRN (Primary State Registration Number) 1037731018082 \* MOSCOW  
\* Joint-stock company ENERGOPROM MANAGEMENT ENERGOPROM MANAGEMENT Joint Stock Company/