

APPROVED BY:  
Resolution of Annual General Shareholders'  
Meeting  
of IDGC of the South, PJSC  
Minutes No. 17 dated June 16, 2017

Chairman at the Annual General  
Shareholders' Meeting of IDGC of the South,  
PJSC

\_\_\_\_\_ S. A. Arkhipov

REGULATION  
on the General Shareholders' Meeting of  
IDGC of the South, PJSC  
(new version)

Rostov-on-Don  
2017

## 1. General Provisions

1.1. This Regulation was developed according to the Civil Code of the Russian Federation, Federal Joint Stock Companies Law, other regulations and laws of the Russian Federation and the Articles of Association of Inter-Regional Distribution Grid Company of the South, Public Joint Stock Company (hereinafter the "Company") and determines the procedure for convening and holding the General Meeting of the Company's Shareholders (hereinafter the "General Shareholders' Meeting").

1.2. The General Shareholders' Meeting is the Company's supreme management body.

1.3. The General Shareholders' Meeting is guided by Russian law, the Company's Articles of Association and this Regulation in its activities.

## 2. Convention and Preparation for the General Shareholders' Meeting

2.1. The resolution as to convention of the General Shareholders' Meeting shall be made by the Company's Board of Directors.

2.2. The Board of Directors makes the following resolutions in preparation for the General Shareholders' Meeting:

a) as to convention and determination of the form of the General Shareholders' Meeting;

b) as to determination of the date, venue and time of the General Shareholders' Meeting, the registration commencement time for the persons taking part in the General Shareholders' Meeting (if the General Shareholders' Meeting is held as a meeting), or as to determination of the cut-off date for receipt of the completed voting ballots and the email address, at which the completed voting ballots should be sent (if the General Shareholders' Meeting is held by absentee vote), and also (if is envisaged in the Company's Articles of Association and technically feasible), the email addresses at which completed ballots can be sent and/or website URL in the Internet information and telecommunications network where the electronic ballot form can be completed;

c) as to determination of the agenda of the General Shareholders' Meeting;

d) as to determination of the date when the persons entitled to attend the General Shareholders' Meeting are determined/ fixed;

e) as to determination of the cut-off date for receipt of the shareholders' proposals as to nomination of candidates to be elected to the Company's Board of Directors, if the agenda of the extraordinary General Shareholders' Meeting contains the issue as to election of members of the Company's Board of Directors;

f) as to determination of the type(s) of preferred shares whose holders have the right to vote on agenda items of the General Shareholders' Meeting;

g) as to determination of the list of information (materials) provided to shareholders in preparation for the General Shareholders' Meeting and its provision procedure;

h) as to approval of the format and wording of the ballots for voting at the General Shareholders' Meeting and the wording of the resolutions on agenda items of the General Shareholders' Meeting, to be sent electronically (as electronic documents) to the nominal share holders registered in the Company's shareholders register;

i) as to determination of the date of sending the voting ballots to the persons entitled to attend the General Shareholders' Meeting (if the General Shareholders' Meeting is held by absentee voting and also if the General Shareholders' Meeting is held as a meeting, where, according to the Federal Joint Stock Companies Law or the Company's Articles of Association, the voting ballots should be sent (delivered) to the persons entitled to attend the General Shareholders' Meeting, before holding of the General Shareholders' Meeting);

j) as to determination of the procedure for notifying the Company's shareholders of the General Shareholders' Meeting, in particular, approval of the message format and wording;

k) as to election of the Secretary of the General Shareholders' Meeting.

l) as to approval of the estimate of costs related to preparation for and holding of the General Shareholders' Meeting.

2.3. The Company's sole executive body shall arrange for fulfillment of resolutions of the Company's Board of Directors related to preparation for and holding of the General Shareholders' Meeting, in particular:

– make sure the request for drafting the list of persons entitled to attend the General Shareholders' Meeting as of the date established by the Company's Board of Directors is timely sent to the Company's Registrar;

- make sure the ballots are made in such format and with such wording as approved by the Company's Board of Directors;
- make sure the voting ballots are sent to shareholders and the completed voting ballots are received from shareholders and, if the Company's Board of Directors resolves that completed voting ballots can be sent to the email address and/or that the electronic ballots can be completed on the website designated by the Board of Directors in the Internet information and telecommunications network, make sure these electronic devices intended for receipt of completed voting ballots operate properly;
- notify shareholders of the General Shareholders' Meeting in such manner and on such dates as established in the resolution of the Board of Directors and the Company's Articles of Association;
- make sure the necessary materials (information) on the agenda items of the General Shareholders' Meeting are drafted and make available this information (materials) for examination according to the resolutions of the Board of Directors;
- make sure the Company provides the list of persons entitled to attend the General Shareholders' Meeting for examination at the request of the persons included into this list and holding at least 1 percent of votes, according to the requirements of Russian applicable law, from the date it was received by the Company;
- take any other steps to implement the resolutions adopted by the Company's Board of Directors.

### **3. Particular features of convocation of an extraordinary General Shareholders' Meeting**

3.1. An extraordinary General Shareholders' Meeting shall be held by resolution of the Company's Board of Directors at its own initiative, at requirement of the Company's Internal Audit Commission, the Company's auditor or the Company's shareholder (s) holding at least Ten (10) percent of the Company's voting shares as of the request date.

3.2. Within Five (5) days from the date the Company's Internal Audit Commission, the Company's auditor or shareholder (s) holding at least Ten (10) percent of the Company's voting shares submitted the request for convention of an extraordinary General Meeting of the Company's Shareholders, the Company's Board of Directors shall resolve as to convention or non-convention of an extraordinary General Meeting of the Company's Shareholders.

3.3. The resolution of the Company's Board of Directors to convene, or a reasonable refusal to convene, an extraordinary General Meeting of the Company's Shareholders shall be sent to the persons requesting its convocation within Three (3) from the date such resolution was adopted.

### **4. Information support of the General Shareholders' Meeting**

4.1. A notice of the General Shareholders' Meeting shall be posted on the Company's website in the Internet information and telecommunications network before the deadline for notifying shareholders of the General Shareholders' Meeting.

The wording of the notice of the General Shareholders' Meeting may be additionally sent in electronically to those of the Company's shareholders who provided the Company or the registrar with data on the e-mail addresses such notices can be sent to.

Information (materials) on the agenda items of the General Shareholders' Meeting shall be made available to the persons entitled to attend the General Shareholders' Meeting within Twenty (20) days, and in case of a General Shareholders' Meeting with the agenda item on the Company's reorganization, within Thirty (30) days prior to the General Shareholders' Meeting, for review in the premises of the Company's executive body and other locations at the addresses indicated in the notice of the General Shareholders' Meeting as well as on the Company's website in the Internet information and communications network at [www.mrsk-yuga.ru](http://www.mrsk-yuga.ru). The Company seeks to make the materials available to the General Shareholders' Meeting at least 30 days prior to its date.

This information (materials) should be available to the persons attending the General Shareholders' Meeting at the time it is held.

The recommendation is to publish this notice and materials in English, too.

4.1.1 The following documents constitute the information (materials) to be provided to the persons entitled to attend the General Meeting of the Company's Shareholders:

- the Company's annual report and opinion of the Company's Internal Audit Commission based on its review;
- the annual financial statements (accounts), in particular, the auditor's opinion, the opinion of the Internal Audit Commission based on the review of such statements;
- the proposed net profit allocation substantiation;
- information on the candidate(s) for the Company's Board of Directors (if any) or information on the candidates' failure to provide such information, on candidates for the Company's Internal Audit Commission and information on availability or lack of the nominated candidates' written consent to election to the Company's respective authority;
- information on the management company or the manager, if the transfer of powers of the Company's sole executive body to the management company or the manager is reviewed (including information on their relationships to the persons controlling the Company);
- sufficient information on candidates for the Company's auditors for making the idea of their professional qualities and independence, including the name of the self-regulatory audit agency, to which a candidate for the Company's auditor is a member; description of the procedures used in selecting the external auditors and making sure they are independent and unbiased, as well as information on the external auditors' proposed fee for audit and non-audit services (in particular, information on compensation payments and other auditor engagement costs) and other material conditions of the contracts concluded with the Company's auditors;
- draft amendments and supplements to be made to the Company's Articles of Association (or a draft new version of the Company's Articles of Association), if they are made or approved, as well as comparative tables of amendments to be made with their substantiation;
- a new version of the Company's draft internal documents on operations of the Company's management and supervisory bodies (amendments and supplements made to the internal documents), if they are made, as well as comparative tables of amendments made with their substantiation;
- draft resolutions of the General Shareholders' Meeting;
- information on the shareholder agreements concluded one year prior to the General Shareholders' Meeting date;
- opinion of the Company's Board of Directors on a major transaction;
- report on the related party transactions concluded by the Company in the reporting year;
- recommendations of the Company's Board of Directors on profit allocation, in particular, the amount of dividend on shares in the Company and its payment procedure as well as the Company's losses as a result of the fiscal year.
- information on traveling to the venue of the General Shareholders' Meeting;
- model power of attorney that can be issued by a shareholder to its representative and its certification procedure;
- information (materials) envisaged in Russian law and the Company's Articles of Association.

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

4.2. The Minutes of the General Shareholders' Meeting shall be posted on the Company's official website in the Internet information and telecommunication network within Three (3) days from its compilation date.

The recommendation is to publish the Minutes of the General Shareholders' Meeting in English, too.

4.3. The Company's Shareholders shall provide the following information on nominated candidates when nominating candidates to the Company's Board of Directors:

- 4.3.1. Full name;
- 4.3.2. Identification document data (document series and/or number, issue date and place, issuing authority);
- 4.3.3. Nationality;
- 4.3.4. Registered address (country, city);
- 4.3.5. Age and education;
- 4.3.6. Occupation;
- 4.3.7. Principal place of employment;

4.3.8 Positions held by the candidate at the time of nomination and information on the positions held in the five years preceding the nomination date;

4.3.9. Information on the Company's and its subsidiaries' shareholding (number of shares in ownership);

4.3.10. If the person is member of/ the candidate for election to the Board of Directors, member of / the candidate for election to the collective executive body or another collective management body of another legal entity;

4.3.11 If the person is an official of another economic entity, another official of which is also nominated as candidate to the Company's Board of Directors.

4.3.12. If the person is spouse, parent, son, daughter, brother or sister of the Company's officials (manager) (officials of the Company's management company);

4.3.13. If the person is party to the obligations with the Company, under conditions of which the candidate is free to purchase assets (receive the money) with the value equal to or greater than ten percent of the candidate's aggregate annual income, except for the compensation for involvement in activities of the Company's Board of Directors;

4.3.14. Is (or will, as a result of his election to the Company's Board of Directors) the person be a state representative, i.e. the person who is (or will, as a result of his election to the Company's Board of Directors) a representative of the Russian Federation or the Russian Federation constituent entities in the boards of directors of the joint stock companies, for which the decision was made to use the special right ("golden share"), and the persons who are (or will be, as a result of their election to the Company's Board of Directors) obliged to vote on the basis of written directives (instructions, etc.) of the Russian Federation constituent entity or municipal entity;

4.4. Provision of the information specified in Clauses 4.3.3 to 4.3.14 hereof by the Company's shareholders shall be a recommendation. Failure of the Company's shareholders to provide such information cannot substantiate the refusal to include the appropriate candidate into the list of persons for voting on election to the Company's Board of Directors.

4.5. The information on candidates for the Company's Board of Directors, as specified in Clause 4.3, shall be available for examination to all of the Company's shareholders, in addition to any other information materials on the agenda items of the General Meeting of the Company's Shareholders.

4.6. The Company's executive bodies shall implement the Company's information support before holding the General Shareholders' Meeting, so that to promote the election of the candidates who meet the criteria established by regulatory authorities and by trade institutors on the Russian securities market to the Company's Board of Directors.

4.7. The Company shall make sure the invitations are sent to members of the Company's executive bodies, members of and candidates for the Board of Directors, members and candidates for the Company's Internal Audit Commission, to the Company's auditor for participation in the General Shareholders' Meeting.

4.8. Shareholders are free to turn to the Company's officials via the Corporate Secretary for additional explanations on agenda items of the General Shareholders' Meeting. The items shall be drafted in writing and emailed to the Company at: office@mrsk-yuga.ru.

## **5. General Shareholders' Meeting Held as a Meeting**

Holding of the General Meeting of the Company's Shareholders in the form of a meeting shall involve direct participation of the Company's Shareholders in the General Shareholders' Meeting for discussion of the agenda items and for making a decision on the issues put to vote.

When holding a General Meeting of Shareholders in the form of a meeting (joint presence of shareholders for discussion of the agenda items and making decisions on issues put to vote), information and communication technologies can be used to enable remote participation in the General Shareholders' Meeting, discussion of the agenda items and decision-making on issues put to the vote, without attendance in the venue of the General Shareholders' Meeting.

### **5.1. Registration of Persons Entitled to Attend the General Shareholders' Meeting**

5.1.1. The persons entitled to attend the General Shareholders' Meeting shall be registered by the person acting as the counting board (hereinafter the "Counting Board"), at the location of the General Shareholders' Meeting specified in the meeting notice. If envisaged in the meeting notice, shareholders shall also be entitled to get registered for participation in it on the website indicated in

the notice in the Internet information and telecommunications network.

Registration of the persons entitled to attend the General Shareholders' Meeting shall start at the time specified in the meeting notice.

5.1.2. The persons (their representatives) entitled to attend the General Shareholders' Meeting shall be registered for participation in the General Shareholders' Meeting held as meeting.

If voting on agenda items of the General Shareholders' Meeting held as a meeting can be carried out by sending completed voting ballots to the Company and/or by completion of electronic ballots on the website in the Internet information and telecommunications network at the address specified in the notice of the General Shareholders' Meeting (if such possibility is envisaged in the BoD resolution), the persons whose ballots were received or electronic ballots were completed at least two days prior to the General Shareholders' Meeting shall be subject to registration for participation in the General Shareholders' Meeting.

The shareholders who provided the persons recording the rights to their shares with the voting directions (instructions), according to the Russian securities law, shall be regarded as having attended the General Shareholders' Meeting, if the notices of their intentions were received at least two days prior the General Shareholders' Meeting date.

5.1.3. At the time of registration, the shareholder (its representative, legal successor) who arrived at the General Shareholders' Meeting shall produce a passport or another identification document.

Shareholders' representatives shall produce the voting power of attorney issued according to the Russian Civil Code and the Federal Joint Stock Companies Law or its notarized copy for registration for participation in the General Shareholders' Meeting, in addition to the identification documents.

If a sole executive body, an individual, is got registered as representative of a corporate shareholder for participation in the General Shareholders' Meeting, a copy of the minutes (extract from the minutes) of the competent authority's meeting, containing a resolution as to appointment of the active sole executive body, certified by the corporate shareholder shall be provided to the Counting Board, in addition to the identification documents of the shareholder's sole executive body.

Legal successors of shareholders shall provide notarized copies of documents evidencing legal successorship to the Counting Board when getting registered for participation in the General Shareholders' Meeting, in addition to the identification documents.

If these documents are not provided, the legal successor and the shareholder's representative shall not be entitled to attend the General Shareholders' Meeting.

5.1.4 Registration of the persons entitled to attend the General Shareholders' Meeting shall be carried out subject to identification of the persons who appeared for participation in the General Shareholders' Meeting, by comparing the data contained in the list of persons entitled to attend the General Shareholders' Meeting with the data of the documents provided by these persons.

5.1.5. Voting ballots on agenda items shall be issued to the persons attending the General Shareholders' Meeting at the time of registration.

If voting at the General Shareholders' Meeting can be carried out by sending completed voting ballots to the Company, voting ballots shall be issued to the persons included into the list of persons entitled to attend such General Shareholders' Meeting, at their request, with the note of their re-issue.

5.1.6 Registration of the persons entitled to attend the General Shareholders' Meeting shall terminate at the time when the Chairman of the General Shareholders' Meeting announces that the discussion of the last agenda item of the quorate General Meeting of the Company's Shareholders is finalized.

## **5.2. Opening of the General Shareholders' Meeting**

5.2.1 A representative of the Counting Board shall, during the period of time being, according to the General Meeting notice, the commencement time of the General Shareholders' Meeting, announces that the quorum exists on the agenda items of the General Shareholders' Meeting.

5.2.2. The General Shareholders' Meeting shall be competent (quorate) if shareholders jointly holding more than a half of the votes attached to the Company's placed voting shares took part in it.

If the agenda of the General Shareholders' Meeting includes the items to be voted upon by a different set of voters, the quorum for resolving these items shall be determined separately.

The lack of quorum for decision-making on agenda items to be voted upon by one set of

voters shall not prevent the decision-making on the agenda items to be voted upon by a different set of voters, for which the quorum is available.

5.2.3. If there is quorum for at least one item included into the agenda of the General Meeting of the Company's Shareholders, the Chairman of the General Shareholders' Meeting shall call the General Shareholders' Meeting to order.

5.2.4 The General Meeting, by the start of which the quorum was available for some agenda items only, may not be closed if, by the registration cut-off time, the persons whose registration makes the meeting quorate for decision-making on other agenda items of the General Meeting got registered.

5.2.5. If, by the commencement time of the General Meeting of the Company's Shareholders, there is no quorum for either agenda item of the General Meeting of the Company's Shareholders, the Chairman of the General Shareholders' Meeting announces the Two (2) hour postponement of the commencement time of the General Shareholders' Meeting.

Postponement of the commencement time of the General Meeting of the Company's Shareholders shall only allowed once.

If the persons counted in the quorum for at least one agenda item of the General Shareholders' Meeting did not get registered Two (2) hours after the announcement that the commencement of the General Shareholders' Meeting was postponed, the Chairman of the General Shareholders' Meeting shall announce the General Shareholders' Meeting not having been held.

If the persons counted in the quorum for at least one agenda item of the General Shareholders' Meeting got registered Two (2) hours after the announcement that the commencement of the General Shareholders' Meeting was postponed, the Chairman of the General Shareholders' Meeting shall call the General Shareholders' Meeting to order.

5.2.6 If there is no quorum for the annual General Shareholders' Meeting, a repeated General Shareholders' Meeting with the same agenda should be held.

If there is no quorum for the extraordinary General Shareholders' Meeting, a repeated General Shareholders' Meeting with the same agenda can be held.

### **5.3. Discussion of the Agenda Items of the General Shareholders' Meeting**

5.3.1. The persons speaking at the General Shareholders' Meeting shall comply with the following speech time limits:

- report on agenda items: up to 30 minutes
- co-report: up to 20 minutes
- oral arguments: 5 minutes
- speeches with questions and information: 2 minutes.

The Chairman of the General Shareholders' Meeting shall be free to increase the timing specified in this Clause.

5.3.2 The shareholder willing to speak in oral arguments on the agenda items of the General Shareholders' Meeting shall send the appropriate written application to the Secretary of the General Shareholders' Meeting.

The application shall contain the shareholder's (its representative's) full name, the agenda item, on which the shareholder is willing to speak, and be signed by the shareholder.

The written item shall be sent to the Secretary of the General Shareholders' Meeting; in addition to the wording of the item, the shareholder (shareholder's representative) shall also specify the full name (name of the corporate shareholder) and have it signed by the shareholder.

5.3.3 The Secretary of the General Shareholders' Meeting shall transfer the applications and items received from shareholders to the Chairman of the General Shareholders' Meeting.

If, by the commencement of the General Shareholders' Meeting, there was quorum on some agenda items only, then, as soon as the discussion of the last of such items is finished, the representative of the Counting Board or another person acting as the Counting Board shall announce that the quorum on other agenda items is or is not available.

5.3.4 If the discussion of all quorate agenda items of the General Shareholders' Meeting is finished, the Chairman of the General Shareholders' Meeting announces that the discussion of the agenda items is finalized and the registration of the persons attending the General Shareholders' Meeting is finished.

### **5.4. Voting at General Shareholders' Meeting**

5.4.1 Voting at the General Shareholders' Meeting in the form of joint presence shall be

carried out in such manner as established in the Federal Joint Stock Companies Law, other regulations and laws, the Company's Articles of Association and this Regulation.

5.4.2 Voting on the agenda items of the General Meeting shall be carried out using voting ballots.

Voting by ballots is equated to receipt by the Company's registrar of notices on the intentions of the persons entitled to attend the General Shareholders' Meeting, are not registered in the Company's Shareholders Register and, in accordance with the Russian securities law, gave voting directions (instructions) to the persons recording their rights to the shares.

5.4.3 The persons who got registered for participation in the General Shareholders' Meeting held as a meeting shall be entitled to vote on all agenda items from the time the General Shareholders' Meeting was called to order and to the voting counting commencement.

5.4.4 As soon as the discussion of the last agenda item of the General Shareholders' Meeting (the last quorate item) was finalized, Thirty (30) minutes shall be allocated to the persons who did not vote.

The person who completed the voting ballot shall be free, before the closure of the General Shareholders' Meeting, to require that a copy of the voting ballot completed by such person shall be made and certified by the Company's Counting Board (representatives of the registrar acting as the Counting Board), by providing the respective written claim. If there is technically feasible to make and certify a copy of the completed ballot during the General Shareholders' Meeting, the copy of the completed voting ballot, as certified by the Counting Board, shall be transferred to the person before the closing of the General Shareholders' Meeting; otherwise, it shall be transferred within a reasonable period of time after the closure of the General Shareholders' Meeting.

The copies of completed ballots shall be made at the Company's expense.

5.4.5 Upon expiry of that term, the Chairman shall announce that the vote count starts.

## **5.5. Summarizing and Announcement of Voting Results on Agenda Items of the General Shareholders' Meeting Closure of the General Shareholders' Meeting**

5.5.1 The vote count and summarizing the voting results on the agenda items of the General Shareholders' Meeting shall be carried out by the Counting Board, according to applicable law.

5.5.2 The resolutions adopted by the General Shareholders' Meeting and the voting results may be announced at the General Shareholders' Meeting where the voting was held and also be communicated to the persons listed as the persons entitled to attend the General Shareholders' Meeting as the Voting Result Report in such manner as envisaged in the Company's Articles of Association for notification of holding of the General Shareholders' Meeting, within four business days from closure of the General Shareholders' Meeting.

If, as of the date when the persons entitled to attend the General Shareholders' Meeting are determined (fixed), a nominal shareholder was the person registered in the Company's Shareholders Register, then the information contained in the Voting Result Report shall be made available to the nominal shareholder according to the rules of the Russian securities law on provision of information and materials to the persons exercising the rights to securities.

5.5.3 Upon announcement of voting results on agenda items of the General Shareholders' Meeting, if they are announced at the General Shareholders' Meeting, the Chairman shall announce the General Shareholders' Meeting closed.

## **6. General Shareholders' Meeting as Absentee Voting**

6.1. Voting on the agenda items of the General Shareholders' Meeting held as absentee voting shall only be carried out using voting ballots.

Voting by ballots is equated to receipt by the Company's registrar of information on the intentions of persons entitled to attend the General Shareholders' Meeting, not registered in the Company's Shareholders' Register and, according to the Russian securities law, gave voting directions (instructions) to the persons recording their rights to shares.

6.2. The shareholders whose ballots are received and/or whose electronic ballots are completed on the website specified in the notice of the General Shareholders' Meeting in the Internet information and telecommunications network (if such option was envisaged in the resolution of the Company's Board of Directors) before the cut-off date indicated in those ballots for receipt of ballots by the Company as well as the shareholders who, according to the Russian securities law, gave the voting directions (instructions) to the persons recording their rights to shares, shall be regarded as

having taken part in the General Shareholders' Meeting held by absentee voting, if the notices of their intentions were received before the cut-off date for receipt of the ballots.

If the cut-off date for receipt of completed voting ballots falls other than on a business day, then the immediately following business day shall be regarded as the cut-off date for receipt of the completed voting ballots.

The deadline for receipt of completed voting ballots shall expire on the cut-off date for receipt of the voting ballots, at the close of business on a business day, according to the rules established in the Company.

6.3. The completed voting ballots may be sent to the Company by registered mail or delivered against signature to the person acting as the Company's sole executive body, to the person authorized to receive the correspondence addressed to the Company, sent to the Company's Registrar or to the email address determined in the resolution of the Company's Board of Directors in preparation for the General Shareholders' Meeting. If the appropriate resolution is adopted by the Company's Board of Directors, the electronic voting ballot can also be completed on the website of the Internet information and telecommunications network as determined in the respective resolution of the Company's Board of Directors and specified in the notice of the General Meeting of the Company's Shareholders.

6.4. The persons acting as the Company's sole executive body shall arrange for collection, preservation and safe custody of the completed voting ballots to the Counting Board.

6.5. An individual shareholder shall, when completing a voting ballot, specify his or her surname and initials; and a corporate shareholder shall specify the full corporate name of the legal entity.

6.6. A representative of an individual shareholder shall, when completing a ballot, specify his/her surname and initials as well as the details of the power of attorney (another document certifying his/her powers); a representative of a corporate shareholder shall specify his or her surname and initials as well as the position or details of the power of attorney (another document certifying his/her powers).

6.7. A shareholder's representative shall attach a power of attorney (its notarized copy) or another document, based on which he or she operates, to the voting ballot.

6.8. The General Shareholders' Meeting held as absentee voting shall be competent (quorate), if the Company received the voting ballots of the shareholders jointly holding more than a half of votes attached to the Company's placed voting shares on or before the cut-off date for receipt of the voting ballots.

6.9. The resolutions adopted by the General Shareholders' Meeting and the voting results shall be communicated to the persons listed as entitled to attend the General Shareholders' Meeting in the Voting Result Report in such manner as envisaged for notification of the General Shareholders' Meeting within four business days from the cut-off date for receipt of ballots.

If, as of the date when the persons entitled to attend the General Shareholders' Meeting are determined (fixed), a nominal shareholder was the person registered in the Company's Shareholders Register, then the information contained in the Voting Result Report shall be made available to the nominal shareholder according to the rules of the Russian securities law on provision of information and materials to the persons exercising the rights to securities.

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

7.1. The working bodies of the General Shareholders' Meeting shall be as follows:

- a) Chairman of the General Shareholders' Meeting;
- b) Counting Board;
- c) Secretary of the General Shareholders' Meeting

7.2. The Chairman of the Board of Directors shall perform the functions of the Chairman at the General Shareholders' Meeting.

If there is no Chairman of the Board of Directors at the General Shareholders' Meeting, the Deputy Chairman of the Board of Directors shall act as the Chairman of the General Shareholders' Meeting.

If there is no Chairman of the Board of Directors or its Deputy, any member of the Board of Directors may act as the Chairman of the General Shareholders' Meeting by resolution of BoD members attending the General Shareholders' Meeting.

7.3. The Chairman of the General Shareholders' Meeting shall call the meeting to order and

close it, announce the agenda of the General Meeting and the priority of speeches and reports on the agenda items, the end of discussion of agenda items and the start of vote counting, make sure the meeting procedure established herein is complied with, and sign the minutes of the General Shareholders' Meeting.

7.4. A professional securities market participant holding a register keeping license and being the registrar of the Company's Shareholders Register (the Company's Registrar) shall perform the functions of the Company's Counting Board at the General Meeting.

7.5. The Counting Board shall perform the following functions:

- a) verification of powers and registration of attendees of the General Shareholders' Meeting (shareholders, their representatives);
- b) determination of quorum at the General Shareholders' Meeting;
- c) explanation of questions arising in connection with exercising by the Company's shareholders (their representatives) of the voting right at the General Shareholders' Meeting;
- d) explanation of the voting procedure on the items put to vote;
- e) making sure the established voting procedure and the rights of the Company's shareholders to take part in the voting is complied with;
- f) vote counting and summarizing the voting results;
- h) drafting the minutes of voting results;
- i) communication of voting results to the Company's shareholders;
- j) archiving of voting ballots;
- k) other functions envisaged in Russian law, the Company's Articles of Association and the contract concluded between the Company and the Registrar.

7.6. The Company's Corporate Secretary shall act as the Secretary of the General Shareholders' Meeting, unless another resolution was adopted by the Company's Board of Directors.

If the Company's Corporate Secretary is unable to act as Secretary of the General Shareholders' Meeting, the secretary of the General Shareholders' Meeting shall be elected by the Board of Directors in preparation for the General Shareholders' Meeting.

7.7. The Secretary of the General Shareholders' Meeting shall perform the following functions:

- a) receive applications from the persons attending the General Shareholders' Meeting for granting the right to be involved in oral arguments on the meeting agenda items and receive questions;
- b) transfer applications and questions received from shareholders to the Chairman of the General Shareholders' Meeting
- c) recording of the proceedings of the General Shareholders' Meeting (the main provisions of the speeches and reports);
- d) other functions envisaged herein and in the Company's Articles of Association.

## **8. Financial Support to the General Meeting of the Company's Shareholders**

8.1. Any costs of preparation for and holding of the General Shareholders' Meeting shall be covered from the Company's budget, according to the cost estimate approved by the Board of Directors, and be included into the Company's budget.

8.2. The General Manager shall provide the report on spending the money in preparation for and holding of the General Shareholders' Meeting to the Board of Directors within two months from holding the General Shareholders' Meeting.

8.3. If the extraordinary General Shareholders' Meeting is held by the persons who require convention of the meeting, these persons shall bear the costs of preparation for and holding of the meeting.

By resolution of the General Shareholders' Meeting, the documented costs incurred by the above persons in connection with preparation for and holding of the General Shareholders' Meeting can be reimbursed from the Company's money.

## **9. Final Provisions**

9.1. If, as a result of change in laws and regulations of the Russian Federation, some articles of this Regulation contradict them, these articles shall become null and void and, before making amendments to this Regulation, the Company shall be guided by Russian laws and

regulations.

9.2. If all voting shares in the Company are held by the single shareholder, this Regulation shall not apply, and resolutions on issues falling within the competence of the General Meeting of the Company's Shareholders shall be made by this shareholder (the shareholder's authorized management body), shall be made in writing and communicated to the Company.