

**APPROVED**

by the General Shareholders Meeting of  
Rosneft Oil Company  
on June 27, 2014  
Minutes without No

# **REGULATIONS**

on the Collective Executive Body (Management Board) of  
Rosneft Oil Company  
(new version)

with amendments:

№1 (approved by the General Shareholders Meeting dated 15.06.2016 (Minutes without No)).

Moscow,  
2014

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## **1. General Provisions**

### **1.1. Regulations on the Management Board.**

- 1.1.1. These Regulations (hereinafter - the "Regulations") have been developed in accordance with the Civil Code of the Russian Federation, the Federal Law "On Joint Stock Companies", other normative legal acts of the Russian Federation and the Charter of Rosneft Oil Company (hereinafter - the "Company") and shall govern the activities of the Management Board of the Company (hereinafter - the "Management Board").
- 1.1.2. These Regulations shall establish the procedure for establishment of the Management Board, schedule and procedure for convocation and conduct of meetings of the Management Board, procedures for adoption of resolutions by the Management Board, rights and duties of members of the Management Board, and shall regulate other issues related to activities carried out by the Management Board.

### **1.2. Functions of the Management Board**

- 1.2.1. The Management Board shall be a collective executive body of the Company, managing activities of the Company within the competence of the Management Board as provided for by the Company Charter.
- 1.2.2. The Management Board shall act in the interests of the Company in accordance with the legislation of the Russian Federation, the Charter of the Company, these Regulations and other internal documents of the Company.
- 1.2.3. The Management Board shall be guided by resolutions of the General Shareholders Meeting and the Board of Directors of the Company. Resolutions adopted by the General Shareholders Meeting and the Board of Directors of the Company within their competence shall be binding upon the Management Board. The Management Board shall report to the Board of Directors and the General Shareholders Meeting.

## **2. Procedure for establishment of the Management Board**

### **2.1. Appointment of members of the Management Board**

- 2.1.1. The Management Board of the Company shall be formed by the Board of Directors. The number of members of the Management Board shall be determined by the resolution of the Board of Directors and shall be odd. Members of the Management Board shall be appointed by the Board of Directors at the suggestion of the Chief Executive Officer of the Company for a period of 3 (three) years. After expiration of the term of their office, current members of the Management Board shall perform their duties until new members of the Management Board are appointed.
- 2.1.2. Members of the Management Board may be nominated from among executive employees (senior managers) of the Company. The composition of the Management Board shall reflect the principle of representation in the Management Board of the heads of key business blocks, production blocks and main supporting blocks in accordance with the organizational structure of the Company approved by the Management Board.

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- 2.1.3. Members of the Management Board may not be at the same time members of the Audit Commission of the Company.
- 2.1.4. At its meeting regarding appointment of members of the Management Board the Board of Directors of the Company shall be presented the information on availability of written consents of candidates to members of the Management Board. Candidates to the Management Board may be invited by the Chairman of the Board of Directors to participate in the meeting of the Board of Directors considering their appointment as members of the Management Board.
- 2.1.5. Powers of an appointed member of the Management Board of the Company shall come into effect on the date determined in the resolution of the Board of Directors of the Company, or, if no such date is indicated – on the day following the date of the minutes of the meeting of the Board of Directors, at which the resolution on appointment of such a member of the Management Board was adopted.
- 2.1.6. The Chief Executive Officer of the Company shall be the member of the Management Board ex officio and shall act as the Chairman of the Management Board. In case of termination of powers of the Chief Executive Officer of the Company, his/her powers of the Chairman of the Management Board shall terminate upon termination of his/her powers as the Chief Executive Officer of the Company.
- 2.1.7. Resolutions on conclusion of an Labour Contract with a member of the Management Board, approval of terms and conditions thereof, introduction of amendments thereto and termination thereof with regard to his/her performing duties as a member of the Management Board shall be adopted by the Board of Directors of the Company. If a person is nominated to the position of a member of the Management Board, the Labour Contract with such a person shall be amended accordingly to reflect his/her appointment to the said position, or a supplementary agreement for performance of functions of a member of the collective executive body of the Company shall be concluded with him/her.
- 2.1.8. When a resolution is adopted to appoint a person as member of the Management Board of the Company, the following details should be included into the minutes of the meeting (absentee voting minutes) of the Board of Directors:
- the full surname, name and patronymic of the person appointed as a member of the Management Board, as well as the details of his/her ID; terms and conditions of the Labour Contract (a supplementary agreement to the Labour Contract) with the newly appointed member of the Management Board;
  - the indication of a specific person authorized to sign the Labour Contract (a supplementary agreement to the Labour Contract) with the newly appointed member of the Management Board (the full surname, name and patronymic, position and place of work of the said person).
- The date when powers of the newly appointed member of the Management Board enter into force may also be indicated in the resolution on his/her appointment.
- 2.1.9. The special labor rules established by the Labor Code of the Russian Federation for chief executive officers of organizations shall apply to members of the Management Board.
- 2.2. Concurrent holding of other positions by member of the Management Board in other organizations.

- 2.2.1. Members of the Management Board shall have the right to concurrently hold other positions in governing bodies of other entities only with the consent of the Board of Directors of the Company. Positions in the governing bodies of other entities shall include membership in board of directors (supervisory boards) or executive bodies of other commercial and non-commercial entities.
- 2.2.2. The consent of the Board of Directors of the Company to concurrent holding by a member of the Management Board of the positions in the governing bodies of other entities shall be executed as a special resolution of the Board of Directors on the issue. The resolution on such an issue shall contain the following information:
- the full name of the entity for which the consent to concurrent holding of a position is being sought;
  - the title of the concurrent position;
  - other terms for the concurrent holding of positions (term, additional limitations etc.), if the Board of Directors deems it expedient to specify such terms.

If the Board of Directors adopts any resolutions on other issues within its competence based on the received information about the fact of concurrent holding of positions in other organizations by a Member of the Management Board, this shall not be recognized as a consent of the Board of Directors to the concurrent holding of positions in other organizations by such member of the Management Board.

- 2.2.3. If a candidate to become a member of the Management Board, at the time of appointment holds positions in the governing bodies of other entities or plans such concurrent holding of positions after the appointment, the agenda of the meeting of the Board of Directors where an issue on appointment of a member of the Management Board is to be considered, shall include also an issue on granting by the Board of Directors of its consent to concurrent holding of positions in other organizations by such a member of the Management Board. Such an issue shall be considered by the Board of Directors in accordance with the procedure provided for in Clause 2.2.2 hereof.
- 2.2.4. If a person, being a member of the Management Board of the Company is appointed at a position in governing bodies of other organizations, such a person has to provide complete information about the organization and position to which it is appointed, to the Chairman of the Board of Directors and/or the Corporate Secretary within 3 (three) business days from the date when such person becomes aware of such an appointment. In the mentioned case, an issue on granting consent by the Board of Directors of the Company to the concurrent holding of positions in the governing bodies of other entities by a member of the Management Boards shall be included in the agenda of the next meeting of the Board of Directors.
- 2.3. Termination of powers of a member of the Management Board
- 2.3.1. The grounds for termination of powers of a member of the Management Board shall be:
- termination of powers of any member or all members of the Management Board of the Company by resolution of the Board of Directors of the Company;
  - abdication of a member of the Management Board on its own free will;

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- adoption by the General Shareholders Meeting of the Company of a resolution to liquidate the Company and to appoint the Liquidation Commission.
- 2.3.2. The Board of Directors of the Company shall have the right to adopt a resolution on early termination of powers of a member of the Management Board in the following cases:
- physical inability of a member of the Management Board to perform his/her duties (death, recognition as missing, declaration of death) or other circumstances beyond control of the parties (Article 83 of the Labor Code of the Russian Federation);
  - receipt by the Board of Directors of a statement of abdication on own free will from a member of the Management Board;
  - termination of the Labor Contract with a member of the Management Board, by virtue of which he/she is an executive employee (senior manager) of the Company;
  - at any time on the initiative of the Board of Directors.
- 2.3.3. The date of termination of powers of a member of the Management Board shall be one of the following dates:
- the date following the date of the minutes of the meeting of the Board of Directors, where it is decided to terminate powers of such a member of the Management Board or the entire Management Board, or any other date specified in such a resolution of the Board of Directors;
  - the date of a resolution adopted by the General Shareholders Meeting to liquidate the Company and to appoint the Liquidation Commission;
  - the date of receipt by the Company of the documents that give grounds to recognize a member of the Management Board as exiting in accordance with Clause 6.3.2 hereof.
- 2.3.4. Decision to terminate powers of any member of the Management Board or of all members of the Management Board and to terminate the corresponding labor contracts with a member (members) of the Management Board may be made by the Board of Directors at any time. The above is a mandatory provision of the labor contract signed by the Company with a member of the Management Board.
- 2.3.5. Termination of powers of a member of the Management Board by resolution of the Board of Directors shall not constitute a basis for dismissal of such a person from his/her permanent position in the Company.
- 2.3.6. When a resolution is adopted on early termination of powers of a member of the Management Board, the following shall be indicated in the minutes of the meeting (absentee voting minutes) of the Board of Directors:
- the indication that powers of a member of the Management Board are terminated ahead of schedule and his/her Labor Contract/supplementary agreement to his/her Labour Contract on performance of duties as a Member of the Management Board is dissolved ahead of schedule;
  - grounds and/or reference to a clause and article of the Labor Code of the Russian Federation, in accordance with which the Labour Contract/supplementary agreement to the Labor Contract is terminated;

The resolution on early termination of powers of a member of the Management Board may also contain the date of such powers termination.

- 2.3.7. If the number of members of the Management Board becomes less than the number constituting the quorum established by the Charter of the Company for conduct of meetings, the Chairman of the Management Board shall send a request to convene the meeting of the Board of Directors for early termination of powers of the Management Board and appointment of a new Management Board or additional members of the Management Board.

### **3. Rights, duties and liability of members of the Management Board**

#### **3.1. Rights of member of the Management Board**

A member of the Management Board shall have the following rights:

- 3.1.1. to participate in managing of day-to-day operations of the Company within the competence of the Management Board as set forth in the Company Charter;
- 3.1.2. to request information from any officer of the Company and to receive any information about operations of the Company as required for discharge of his/her duties as a member of the Management Board for the purposes of exercising powers within the competence of the Management Board of the Company;
- 3.1.3. to demand convocation of the meeting of the Management Board in accordance with the procedure established by these Regulations;
- 3.1.4. to introduce issues for inclusion into the agenda of the meeting of the Management Board.

#### **3.2. Duties of member of the Management Board**

A member of the Management Board shall have the following duties:

- 3.2.1. to act in accordance with the Charter and internal documents of the Company, resolutions of the General Shareholders Meeting and the Board of Directors;
- 3.2.2. to act in the interests of the Company as a whole, and not in the interests of individual shareholders, officers or other persons;
- 3.2.3. to abstain from acts, which may lead to a conflict of interests between himself/herself and the Company, and where any such conflict of interest does arise, to promptly notify the Chairman of the Management Board as well as the Chairman of the Board of Directors / Corporate Secretary of such fact;
- 3.2.4. to provide information upon demand of any member of the Board of Directors of the Company about activities of the Company and the Group Companies required for fulfillment by a member of the Board of Directors of his/her duties, to the extent allowed by the legislation of the Russian Federation.
- 3.2.5. not to disclose and not to use in his/her personal interests or in the interests of any third parties confidential or insider information about the Company received in accordance with the procedure set forth in the contract with the Company, and subject to the Regulations on insider information of the Company;
- 3.2.6. to initiate Conduct of meetings of the Management Board to resolve urgent issues;

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- 3.2.7. to participate in the meetings of the Management Board, except when such participation is impossible on the basis of valid excuses (illness, business trip, vacations etc.);
  - 3.2.8. to participate in adopting resolutions of the Management Board by voting on issues included into the agenda of its meetings;
  - 3.2.9. to timely notify the Chairman of the Management Board and the Chairman of the Board of Directors and/or the Corporate Secretary of the Company of all his/her affiliated persons, and of all changes in the list thereof;
  - 3.2.10. to timely notify the Chairman of the Management Board and the Chairman of the Board of Directors and/or the Corporate Secretary of the Company of all legal entities in which he/she holds, whether independently or jointly with his/her affiliated person(s), 20 percent or more of voting shares (participatory interests, equity interests);
  - 3.2.11. to timely notify the Chairman of the Management Board and the Chairman of the Board of Directors and/or the Corporate Secretary of the Company of all legal entities in whose governing bodies he/she holds positions, as well as on other concurrent positions in other organizations;
  - 3.2.12. to timely notify the Chairman of the Management Board and the Chairman of the Board of Directors and/or the Corporate Secretary of the Company of all proposed transactions wherein he/she may be deemed an interested party;
  - 3.2.13. to notify the Chairman of the Management Board and the Chairman of the Board of Directors and/or the Corporate Secretary of the Company in writing of his/her intention to execute, in his/her personal capacity, transactions with the securities of the Company or its subsidiary (dependent) entities, and on quarterly basis notify the Corporate Secretary about transactions he may have executed with such securities;
  - 3.2.14. to develop proposals related to the improvement of financial and business operations of the Company, upon the request of the Chief Executive Officer and/or the Management Board;
  - 3.2.15. to prepare for consideration by the Management Board the materials on the issues falling within its competence on requests from the Chief Executive Officer and/or Management Board;
  - 3.2.16. to attend the General Shareholders Meeting and to reply to questions of the participants thereof.
- 3.3. Conflict of interests between members of the Management Board and the Company
- 3.3.1. No person, who holds and/or controls, whether independently or jointly with his/her affiliated person(s), 20 percent or more of voting shares (participatory interests, equity interests) of a legal entity competing with the Company or an entity having a commercial interest in relations with the Company, may be a member of the Management Board.
  - 3.3.2. Members of the Management Board and their affiliates shall not receive any gifts from any entities or individuals interested in certain resolutions that may be made by members of the Management Board as part of their official duty and shall not enjoy any other direct or indirect benefits offered by such entities or individuals (with the exception of common tokens of courtesy or souvenirs presented during the official events).



3.3.3. The Labor Contract between the Company and a member of the Management Board shall contain provisions specified in Clauses 3.3.1 and 3.3.2 hereof.

3.4. Liability of members of the Management Board

3.4.1. Members of the Management Board shall be liable to the Company for damages caused to the Company through their wrongful action (inaction), unless other grounds for liability are established under federal laws.

3.4.2. A failure to perform and/or improper performance by a member of the Management Board of his/her duties may constitute sufficient grounds for the Board of Directors to resolve to terminate the powers of such member of the Management Board and to raise claims against such person in accordance with the procedures established by the legislation of the Russian Federation.

3.4.3. Members of the Management Board of the Company who voted against a resolution that have caused damages to the Company or did not participate in the voting shall not be held liable for damage infliction on the Company.

3.4.4. In the events provided for by the Federal law “On Joint Stock Companies”, the Company may take legal action against the member of the Management Board for compensation of damages caused to the Company.

3.4.5. Subject to a resolution by the Board of Directors, the Company at its own expense may insure the liability of members of the Management Board.

#### **4. Chairman of the Management Board and Secretary of the Management Board**

4.1. The Chairman of the Management Board

4.1.1. The Chief Executive Officer of the Company ex officio shall be the Chairman of the Management Board.

4.1.2. The Board of Directors shall appoint a deputy Chairman of the Management Board who shall perform the functions of the Chairman of the Management Board in the absence of the latter.

4.1.3. In the absence of the Chairman of the Management Board and deputy Chairman of the Management Board, his/her functions shall be performed by one of members of the Management Board appointed therefore by the resolution of the Management Board.

4.2. Functions of the Chairman of the Management Board

The Chairman of the Management Board shall:

4.2.1. organize the work of the Management Board, convene and preside over its meetings;

4.2.2. form the agenda of meetings of the Management Board;

4.2.3. sign the minutes of meetings of the Management Board as well as other documents on behalf of the Management Board of the Company;

4.2.4. determine the list of persons invited to participate in discussion of certain issues on the agenda of the meeting of the Management Board;

- 4.2.5. submit reports on the activities of the Management Board to the Board of Directors;
- 4.2.6. exercise other functions in accordance with the legislation of the Russian Federation, the Charter of the Company and these Regulations.

#### 4.3. The Secretary of the Management Board

- 4.3.1. The Secretary of the Management Board shall be appointed by the Management Board of the Company.
- 4.3.2. The Secretary of the Management Board shall provide organizational and informational support to the Management Board and its members.

#### 4.4. Functions of the Secretary of the Management Board

The Secretary of the Management Board shall:

- 4.4.1. inform members of the Management Board about forthcoming meetings of the Management Board in good time and in accordance with the schedule established under these Regulations and other internal documents of the Company;
  - 4.4.2. send to members of the Management Board the information and materials required for meetings of the Management Board;
  - 4.4.3. provide technical and organizational support to members of the Management Board in connection with preparation of issues on the agenda of meetings of the Management Board;
  - 4.4.4. send to all members of the Management Board voting ballots for the purpose of approval of resolutions of the Management Board by an absentee voting;
  - 4.4.5. determine results of voting on resolutions adopted by an absentee voting;
  - 4.4.6. keep, draft and sign minutes of meetings of the Management Board;
  - 4.4.7. produce extracts from the meetings of minutes of the Management Board and certify them with his/her own signature;
  - 4.4.8. ensure storage of minutes of meetings of the Management Board and voting ballots submitted by members of the Management Board for adoption of resolutions by the Management Board by an absentee voting;
  - 4.4.9. keep record of and store incoming documents and copies of outgoing documents of the Management Board;
  - 4.4.10. exercise any other functions in accordance with the legislation of the Russian Federation, the Charter of the Company and these Regulations.
- 4.5. In the absence of the Secretary of the Management Board, his/her functions shall be performed by an employee of the Company appointed to act so by the Management Board.

### **5. Adoption of resolutions by the Management Board**

#### 5.1. Adoption of resolutions by the Management Board

- 5.1.1. Resolutions of the Management Board shall be adopted in the following forms:
  - at the meeting of the Management Board;
  - by an absentee voting.

- 5.1.2. When adopting resolutions, members of the Management Board participating in the meeting shall express their opinion on the issues on the agenda by way of open voting thereon.
  - 5.1.3. Based on a decision of the Chairman of the Management Board, the meeting of the Management Board may be held by way of a video conference or a conference call, in which case an appropriate record shall be made in minutes of the meeting of the Management Board. In such case the Company location shall be considered as the place of the meeting.
  - 5.1.4. When adoption of resolutions on issues at meetings of the Management Board of the Company each member of the Management Board of the Company shall have one vote. No member of the Management Board shall be allowed to delegate his/her voting right to another person, including another member of the Management Board.
  - 5.1.5. A resolution of the Management Board shall be deemed to have been adopted if it has been voted for by more than one half of members of the Management Board participating in the meeting of the Management Board and/or have furnished their written opinions, and in the event of an absentee voting, by more than one half of members of the Management Board participating in such an absentee voting.
  - 5.1.6. In case of tie vote of members of the Management Board, the Chairman of the Management Board shall have a decisive vote.
  - 5.1.7. Committees, commissions and other working bodies may be set up at the Management Board for preliminary review of issues within the competence of the Management Board.
- 5.2. Entry of resolutions adopted by the Management Board into effect
- 5.2.1. A resolution adopted by the Management Board at the meeting of the Management Board shall enter into effect upon the announcement of results of voting on the relevant issue.
  - 5.2.2. A resolution adopted by the Management Board by an absentee voting shall enter into effect on the date on which the minutes of the meeting of the Management Board are drawn up, but in any event not later than on the third day from the final date established for submission of voting ballots.

## **6. Meetings of the Management Board**

### **6.1. Convocation of meetings of the Management Board**

- 6.1.1. Meetings of the Management Board shall be conducted in accordance with the quarterly meeting schedule approved by the Management Board, but in any event no less than once a month. The meeting schedule shall be based of resolutions of the General Shareholders Meeting, the Board of Directors, issues put forward by the Chairman of the Board of Directors, proposals of members of the Management Board, senior managers and organization departments of the Company. The meeting schedule shall be approved at the first meeting of the Management Board in the respective quarter. If needed, the Chairman of the Management Board shall convene the extraordinary meeting at his own initiative, or at the request of a member of the Management Board, the Audit Commission or the Auditor of the Company.

- 6.1.2. The request on convocation of the meeting of the Management Board shall be sent by the person initiating the meeting of the Management Board to the Chairman of the Management Board or to the person performing the latter's functions and may contain the wording of issues on the agenda of such a meeting.
- 6.1.3. In case a request to convene the meeting of the Management Board is received, the Chairman of the Management Board shall adopt a resolution to convene the meeting of the Management Board within 5 (five) business days from the date of the receipt of such a request. Such meeting shall be conducted not later than 10 (ten) business days from the date of receipt of such a request or the issues indicated in such a request shall be included in the agenda of the nearest meeting of the Management Board.
- 6.1.4. When adopting the resolution to convene the meeting of the Management Board, the Chairman of the Management Board shall determine the following:
- the time and place of the meeting;
  - the form of the meeting;
  - the agenda of the meeting;
  - wording of issues put to the vote;
  - the list of information (materials) to be furnished to Members of the Management Board for the meeting.
- 6.1.5. At its meetings, the Management Board shall consider the issues included into the agenda thereof. The Management Board at its meetings may consider the issues, which are not included into the agenda thereof, provided that the majority of members of the Management Board participating in such a meeting agree thereto.
- 6.1.6. The following persons who are not members of the Management Board may be invited to the meeting of the Management Board: members of the Audit Commission of the Company, officers and heads of organization departments of the Company, representatives of the Auditor of the Company, experts and consultants, other persons. Invited attendees may introduce proposals, make comments and present references and other information on issues being discussed only with the permission of the person presiding over the meeting.
- 6.2. Information about meeting of the Management Board
- 6.2.1. The Secretary of the Management Board shall notify members of the Management Board of the meeting of the Management Board in writing no later than 5 (five) business days prior to the meeting of the Management Board by email or other convenient mean that would guarantee the receipt of notification by each member of the Management Board (including by mail, telegraph, teletype, e-mail, telephone and other means of communication).
- 6.2.2. The notice of the meeting of the Management Board served to members of the Management Board shall include details about the initiator of the meeting, agenda, place, time and form of the meeting. Together with the notice, all the relevant information (materials) shall be furnished to members of the Management Board.
- 6.2.3. Should any circumstances arise making it impossible or difficult to conduct the meeting of the Management Board at the place and/or time, at a place and (or) at a time, specified in the meeting notification, the meeting on the planned agenda may

be conducted at a different place and/or different time. Such a meeting shall be conducted within 3 (three) days following the date of the failed meeting.

- 6.2.4. All members of the Management Board shall be notified of any changes of a place and/or time of the meeting of the Management Board within the time reasonably sufficient to ensure their attendance. A notice of the aforementioned changes shall be delivered to all members of the Management Board in any form that guarantees receipt thereof.

### 6.3. Procedure of Meetings of the Management Board

- 6.3.1. Discussion on issues on the agenda shall be carried out at meetings of the Management Board in accordance with the following procedure:

- opening of the meeting;
- report of a member of the Management Board (or an invited attendee) on the agenda issue;
- discussion of the agenda issue;
- proposed wordings of the resolution on the agenda issue;
- voting on the agenda issue;
- calculation of votes and announcement of voting results;
- closing of the meeting.

- 6.3.2. The quorum at a meeting of the Management Board shall amount to not less than one half of the total number of elected members of the Management Board. When determining the quorum, exiting members of the Management Board shall not be counted. A member of the Management Board shall be regarded as exiting in case of the death, judicial recognition of death or missing.

- 6.3.3. Written opinions of members of the Management Board absent from the meeting of the Management Board shall be taken into account for the purpose of determination of the quorum and results of voting.

- 6.3.4. A written opinion of a member of the Management Board may indicate his/her voting position on all issues on the agenda of the meeting, or on any individual issue.

- 6.3.5. If no copy of the written opinion of a member of the Management Board is made available to members of the Management Board prior to the meeting, the person presiding over the meeting shall announce the written opinion of the member of the Management Board absent from the meeting of the Management Board prior to the commencement of voting on the issue on the agenda with respect to which such opinion has been submitted.

- 6.3.6. If a member of the Management Board does attend the meeting of the Management Board, his/her written opinion, received prior to the meeting, shall not be announced at the meeting, nor shall it be taken into account for the purpose of determination of the quorum and results of voting.

### 6.4. Minutes of meetings of the Management Board

- 6.4.1. Minutes shall be taken at the Management Board meeting by the Secretary of the Management Board or, in his/her absence - by an employee of the Company performing his/her functions.
- 6.4.2. The minutes of the meeting of the Management Board shall be drawn up within 3 days following the date of the meeting. The minutes of the meeting of the Management Board shall contain the following information:
- the full official name of the Company;
  - the date, time and place of the meeting;
  - the form of the meeting;
  - the number of the minutes;
  - persons participating in the meeting;
  - members of the Management Board who have furnished their written opinions on the agenda issues;
  - the quorum for all or each issue on the agenda of the meeting;
  - the agenda of the meeting;
  - issues put to vote and results of voting thereon, indicating the voting option selected by each member of the Management Board who has voted, with respect to each issue put to vote;
  - resolutions adopted;
  - information on the minutes signatories (last name and initials of the Chairman of the Management Board or the meeting chairing person, and the Secretary of the Management Board).

The minutes may contain the data on the main speakers and on the opinions expressed by participants of the meeting.

- 6.4.3. The materials reviewed at the meeting of the Management Board in the course of discussion of issues on the agenda of the meeting of the Management Board as well as written opinions, shorthand records of the meetings and voting ballots shall be stored together with minutes of the meeting of the Management Board.
- 6.4.4. The minutes of the meeting of the Management Board shall be signed by the person presiding over the meeting and the Secretary of the Management Board. A copy of the minutes of the meeting of the Management Board shall be sent by the Secretary of the Management Board to, members of the Management Board or handed to them personally against their signature confirming the receipt thereof no later than 3 (three) days from the date of the minutes.

6.5. Access to minutes of meetings of the Management Board

- 6.5.1. The Company shall store the minutes of meetings of the Management Board at the location of its executive body in accordance with the procedure and within a period of time stipulated by the body responsible for regulations, control and supervision of financial markets. If no such period of time has been established, the Company shall store the minutes of meetings of the Management Board permanently.
- 6.5.2. The Company shall provide access to minutes of meetings of the Management Board for all shareholders holding in the aggregate at least 25 percent of voting

shares of the Company. The minutes of the meeting of the Management Board shall be made available by the Company for review at the location of the Company within 7 (seven) days following the date of the request to review the same as may have been filed by the persons entitled thereto. If so requested by the aforementioned persons, the Company shall provide them with copies of the minutes of meetings of the Management Board. The fee charged by the Company for providing such copies shall not exceed the cost of copying.

- 6.5.3. The responsibility for fulfilling of the Company's obligation as per Clause 6.5.2 shall be borne by the person who performs the functions of the sole executive body of the Company.
- 6.5.4. The minutes of meetings of the Management Board shall be made available to members of the Board of Directors, the Audit Commission, the Auditor and subdivisions of the Company exercising internal audit and control, on their request.

## **7. Adoption by the Management Board of resolutions to conduct absentee voting**

### **7.1. Resolution to conduct absentee voting**

- 7.1.1. Resolutions of the Management Board on the issues falling within its competence may be adopted by an absentee voting.
- 7.1.2. For the purpose of adoption by the Management Board of a resolution by an absentee voting, each member of the Management Board shall, not later than 5 (five) business days before the final date established for submission of ballots for absentee voting, receive a notice on the conduct of the absentee voting on issues on the agenda, materials (information) and draft resolutions on issues included in the agenda.
- 7.1.3. The notice on conduct of an absentee voting shall contain the following information:
- the official name of the Company;
  - the agenda of the meeting;
  - instructions to conduct an absentee voting by means of completing voting ballots;
  - the final date and time established for submission of ballots for absentee voting;
  - the list of information (materials) to be furnished to members of the Management Board.
- 7.1.4. Members of the Management Boards shall, no later than 2 (two) business days before the final date established for submission of voting ballots as indicated on the notice of absentee voting, be entitled to submit their proposals and (or) comments on the proposed draft resolutions of the Management Board in respect to issues put to the absentee voting.
- 7.1.5. The Secretary of the Management Board shall prepare the voting ballots, taking into account the received proposals and (or) comments on the suggested draft resolutions of the Management Board on the agenda issues. If a member (members)

of the Management Board amend(s) the wording of draft resolutions on an issue (issues) on the agenda, the Secretary of the Management Board shall include in the voting ballot all draft resolutions on such issue (issues) as suggested by such a member (members) of the Management Board.

- 7.1.6. The Secretary of the Management Board shall send a voting ballot executed in accordance with Clause 7.1.5 hereof, to members of the Management Board not later than 1 (one) business day prior to the final date established for submission of voting ballots as indicated in the notification on conduct of an absentee voting.
- 7.1.7. The voting ballot shall contain the following information:
- the full official name of the Company and its location;
  - wordings of each issue put to vote;
  - voting options;
  - the final date and time established for submission of voting ballots;
  - the address for submission of completed voting ballots.
- 7.1.8. When filling-in a voting ballot, a member of the Management Board shall leave undeleted only one of the possible voting options for each draft resolution for each of issue (“for”, “against”, “abstained”). A member of the Management Board shall sign the filled-in ballot and indicate his/her name and initials. A voting ballot filled-in in violation of the aforesaid rules shall be deemed void (in case of violation of the rules for filling-in the voting options, it shall be deemed void only with regard to a relevant issue) and shall not participate in determining of the quorum required for a resolution to be adopted by an absentee voting, nor shall it be counted in voting results.
- 7.1.9. The filled-in and signed voting ballot shall be handed by a member of the Management Board to the Secretary of the Management Board no later than the date and time indicated on the voting ballot or shall be sent by e-mail or fax at the address indicated on it (the original copy of the voting ballot shall be forwarded later). Only those members of the Management Board whose voting ballots have been received before the final date and time established for submission of filled-in voting ballots shall be deemed to have participated in an absentee voting.
- 7.1.10. The quorum for adopting resolutions by an absentee voting shall be determined on the basis of ballots filled-in and signed by members of the Management Board, which have been received by the Company before the date and time indicated in the absentee voting notice. The quorum on the agenda items during the absentee voting is achieved in the cases where by the time of ballots acceptance deadline the ballots from no less than half of the elected members of the Management Board (apart from the exiting members) have been received. Invalid ballots shall not be considered while determining the quorum.
- 7.1.11. Based on the received ballots, the Secretary of the Management Board shall determine results of an absentee voting on issues on the agenda and shall draw up the minutes of the meeting of the Management Board in accordance with the procedure stipulated herein.
- 7.1.12. The Minutes of the meeting of the Management Board conducted in the form of an absentee voting shall contain the following information.
- the full official name of the Company;



- the information on the form of the meeting;
- the date of the meeting conducted in the form of an absentee voting (date of termination of voting ballots acceptance);
- the number of the Minutes;
- the information about members of the Management Board, who submitted voting ballots before the final date for acceptance of voting ballots;
- the quorum on all or each agenda issues;
- issues put to vote, and results of voting thereon;
- adopted resolutions;
- information on the minutes signatories (last name and initials of the Chairman of the Management Board or the chairing person, and the Secretary of the Management Board).

The materials that form a basis for adoption by the Management Board of its resolutions as well as voting ballots shall be stored together with minutes of the meeting of the Management Board.

## **8. Reports on activities of the Management Board and internal control**

- 8.1. The Chairman of the Management Board shall annually submit to the Board of Directors a report on activities of the Management Board. Such report shall be submitted within one month from the last date of the reporting period.
- 8.2. The Board of Directors shall have the right at any time to request the Management Board to submit any other reports.
- 8.3. The regularity and procedure for reporting by persons responsible for execution of resolutions of the Management Board shall be determined by the respective resolution of the Management Board.
- 8.4. Control over execution of resolutions of the Management Board shall be exercised in accordance with the system adopted in the Company for control over execution of resolutions of the executive bodies of the Company.
- 8.5. Employees and officers of the Company shall be liable for non-execution of resolutions adopted by the Management Board.

## **9. Final Provisions**

- 9.1. Resolutions on introduction of amendments/additions to these Regulations or approval of new versions hereof shall be made by the General Shareholders Meeting of the Company.
- 9.2. If certain provisions hereof contradict the effective legislation of the Russian Federation or the Charter of the Company as a result of amendments to the legislation of the Russian Federation or the Charter of the Company, they shall become null and void, and members of the Management Board shall be governed by the effective legislation and the Charter of the Company until these Regulations are amended appropriately.