

APPROVED
by Decision of the Annual General Meeting of
Shareholders of FESCO
Minutes of Meeting №50
June 29, 2018

**PUBLIC JOINT-STOCK COMPANY
FAR-EASTERN SHIPPING COMPANY**

REGULATIONS ON BOARD OF DIRECTORS

(new version)

**Moscow
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Article 1. General Provisions

- 1.1. The regulations on the Board of Directors (**Regulations**) of Public Joint-Stock Company Far-Eastern Shipping Company (**the Company, FESCO**) have been developed in compliance with current laws of the Russian Federation, Federal Law № 208-FZ On Joint-Stock Companies dated December 26, 1995 (**the Federal Law On Joint-stock Companies**), the Charter of the Company, and the Code on Corporate Governance recommended for application by the letter of the Bank of Russia dated April 10, 2014 (**Code on Corporate Governance**). The regulations lay down formation procedure, status, composition, functions and duties of the Board of Directors as well as the action plan of the Board of Directors and its interaction with other bodies of the Company.
- 1.2. The Board of Directors is the governing body of the Company, responsible for general management of the Company's activities except for the issues referred by the legislation of the Russian Federation and the Company's Charter to the competence of the General Meeting of Shareholders. The Board of Directors monitors the implementation of decisions of the General Meeting of Shareholders and ensuring the rights and legitimate interests of shareholders of the Company in accordance with the requirements of the legislation of the Russian Federation.
- 1.3. The main objectives of the Board of Directors are:
 - elaboration and implementation support of strategic and general policy of the Company to increase revenues and profits of the Company,
 - protection of rights and legitimate interests of shareholders,
 - permanent control over activities of executive bodies of the Company,
 - ensuring completeness, quality and objectivity of public information about the Company.
- 1.4. The Board of Directors acts within its competence defined by the Charter of the Company, and is governed by current laws of the Russian Federation, the Charter of the Company, these Regulations and other internal documents of the Company.
- 1.5. The Board of Directors acts in the interests of the Company and reports to the General Meeting of Shareholders.
- 1.6. In addition, to achieve its objectives, the Board of Directors, within the scope of its competence, decides on the following issues:
 - determining priority lines of the Company's activities,
 - setting and implementing tactical and strategic objectives of the Company,
 - ensuring effective work of executive bodies of the Company,
 - control over financial and economic activities of the Company,
 - compliance with current laws of the Russian Federation and corporate governance principles,
 - implementation and protection of the rights of shareholders and facilitates corporate conflict resolution.
- 1.7. To achieve the objectives, the Board of Directors shall apply the following principles:
 - decisions-making based on reliable information about the Company's activities,
 - excluding limitations of the rights of shareholders to participate in the management of the Company, receive dividends and information about the Company,
 - achieving the balance of interests of different groups of shareholders and adopting by the Board of Directors the most objective decisions in the interests of all shareholders.
- 1.8. Decisions of the General Meeting of Shareholders are obligatory for execution by the Board of Directors within its competence.
- 1.9. Members of the Board of Directors may be remunerated and/or compensated for the expenses related to the exercise of their functions as members of the Board of Directors during the implementation of such duties. The amount and terms of payment of remunerations and compensations are determined by Regulations on Remunerations and Compensations of Members of the Board of Directors approved by the General Meeting of Shareholders of the Company.

Article 2. Election of the Board of Directors

- 2.1. Members of the Board of Directors are elected by the General Meeting of Shareholders in accordance with the procedure provided by the Federal Law On Joint-Stock Companies and the Charter of the Company for a period up to the next annual General Meeting of Shareholders. If the General Meeting of Shareholders is not held within the dates stipulated in item 1 article 47 of the Federal Law On Joint-Stock Companies, the powers of the Board of Directors are terminated, except for powers related to preparing, convening and holding the annual General Meeting of Shareholders of the Company.
- 2.2. The quantitative composition of the Board of Directors is defined by the Charter of the Company. Members of the executive body of the Company cannot constitute more than 25 percent of the membership of the Board of Directors.
- 2.3. Only a person may be a member of the Board of Directors. A member of the Board of Directors may not be a shareholder of the Company.
- 2.4. Members of the Board of Directors are elected by cumulative voting.
- 2.5. Candidates who got the maximum number of votes are considered elected to the Board of Directors. Persons elected to the Board of Directors may be re-elected an unlimited number of times.
- 2.6. By decision of the General Meeting of Shareholders of the Company, powers of all members of the Board of Directors may be subject to early termination.
- 2.7. If the number of members of the Board of Directors becomes less than the number forming the said quorum, the Board of Directors must convene an extraordinary General Meeting of Shareholders for electing a new composition of the Board of Directors. Remaining members of the Board of Directors have the right to take a decision only on convening an extraordinary General Meeting of Shareholders.
- 2.8. Nomination and election candidates for the Board of Directors and is carried out in accordance with the Charter of the Company and the Regulations on the General Meeting of Shareholders of the Company.
- 2.9. The Company aims to ensure the election to the Board of Directors of not less than one independent director meeting the independence criteria defined in accordance with the corporate governance code and MOEX listing Rules.
- 2.10. Each newly elected member of the Board of Directors shall undergo an induction procedure to become acquainted with activities of the Board of Directors, the Company's officers, the Company's documents, and information about governing bodies, financial and economic activities and strategy of the Company. Within 10 days from the date of summing up of voting results of the Board of Directors elections, the Secretary of the Board of Directors provides each newly elected member of the Board of Directors with copies of the Charter, internal documents regulating activities of its bodies, the latest annual report, other documents and information.

Article 3. Rights and Duties of Members of the Board of Directors

- 3.1. The member of the Board of Directors shall have the right:
 - to get familiar with constituent, regulatory, internal, accounting, reporting, contractual and other documents and materials (including information classified as commercial secret of the Company) which are necessary for the performance of its functions (except for the cases stipulated by current laws);
 - to request and receive from the President of the Company and/or employees of the Company (appointed by the President of the Company for the purposes of this sub-item), information (materials) and clarifications concerning activities of the Company and its controlled entities when the member of the Board of Directors needs such information (materials) and clarifications for the performance of their functions (except for the cases stipulated by

- current laws);
 - to require the inclusion of their separate opinion on agenda issues and the issue in question in the minutes of the meeting of the Board of Directors;
 - to request the convocation of meetings of the Board of Directors in accordance with these Regulations;
 - to include issues in the agenda of meetings of the Board of Directors in accordance with the established procedure;
 - to send in a written opinion on the agenda of the meeting of the Board of Directors in which they may not participate;
 - to be remunerated and/or compensated for the expenses related to the exercise by a member of the Board of Directors of their functions in accordance with Regulations on Remunerations and Compensations of Members of the Board of Directors of FESCO approved by the General Meeting of Shareholders of the Company;
 - to exercise other rights in accordance with current laws of the Russian Federation, the Charter of the Company, other internal documents of the Company and these Regulations.
- 3.2. The member of the Board of Directors shall:
- act reasonably and in good faith in the interests of the Company when exercising their rights and duties;
 - act in the interests of the Company as a whole and not in the interests of separate shareholders, officers and other persons;
 - not disclose any confidential information about the Company and other information about the Company's activities if the disclosure may contradict the interests of the Company, in particular, if it may have negative impact on its reputation except in cases of disclosure of information to third parties in accordance with the Charter of the Company, internal documents of the Company or applicable laws;
 - participate actively in the work of the Board of Directors and its committees, to give an advance notice when being unable to participate in meetings of the Board of Directors or its committees;
 - timely send voting ballots to the Secretary of the Board of Directors and/or vote on proposed draft resolutions in the automated system designed for holding meetings when taking decisions by the Board of Directors in the form of absentee voting;
 - attend and actively participate in preparation and discussion of issues put on the agenda of meetings of the Board of Directors;
 - execute and/or ensure the execution of decisions taken by the Board of Directors and the General Meeting of Shareholders of the Company;
 - notify the Board of Directors of legal entities where he holds positions in the management bodies;
 - provide the Company with information, data and documents necessary for the execution of requirements of current laws by the Company;
 - provide the Company with information which is necessary to determine whether a member of the Board of Directors comply with independence criteria established by current laws;
 - notify the Board of Directors of the intention to make personal transactions with securities of the Company or its controlled entities and to disclose information about transactions with such securities.
- 3.3. Members of the Board of Directors shall bring the following to the notice of the Company within two months from the date they become or should have become aware of the circumstances whereby they may be recognized as interested in the Company entering into transactions:
- 1) legal entities controlled by them, their spouses, parents, children, siblings and half-siblings, adoptive parents and adopted children and/or their affiliates, or legal entities to which they, their spouses, parents, children, siblings and half-siblings, adoptive parents and adopted children and/or their affiliates are authorized to give mandatory instructions;

- 2) legal entities where they, their spouses, parents, children, siblings and half-siblings, adoptive parents and adopted children and/or their affiliates hold positions in the management bodies;
- 3) any transactions known to them, whether being concluded or proposed, where they may be recognized as related parties.

In case of changes in the information submitted to the Company by members of the Board of Directors in accordance with this sub-item, members of the Board of Directors shall notify the Company of the changes within 14 days from the date they become or should have become aware of the changes.

- 3.4. Interest of members of the Board of Directors shall be established in accordance with article 81 of the Federal Law On Joint-Stock Companies.
- 3.5. Members of the Board of Directors have no right to receive gifts or remuneration in any form from persons interested in decisions taken by the Board of Directors.
- 3.6. Activities of members of the Board of Directors are on-going and are not limited to participation in taking decisions by the Board of Directors.

Article 4. Responsibility of Members of the Board of Directors

- 4.1. Members of the Board of Directors shall bear responsibility to the Company for losses caused to the Company due to their misconduct (inaction) unless the grounds and amount of liability for the same are specified in the federal laws. When determining the grounds and extent of liability of members of the Board of Directors there should be taken into consideration normal business practices and other circumstances relevant to the case.
- 4.2. Members of the Board of Directors who voted against the decision that resulted in losses for the Company or did not take part in voting, are not held responsible to the Company.
- 4.3. Programs of liability insurance of members of the Board of Directors may be implemented in the Company.

Article 5. Organization of Work of the Board of Directors

- 5.1. The Board of Directors elects Chairman and Deputy Chairman of the Board of Directors by a simple majority of votes of the total number of members of the Board of Directors.
- 5.2. The person performing functions of the sole executive body of the Company (its President or Director) may not simultaneously be Chairman and/or Deputy Chairman of the Board of Directors.
- 5.3. In the absence of the Chairman of the Board of Directors, their functions are performed by the Deputy Chairman of the Board of Directors. The Chairman and the Deputy Chairman of the Board of Directors have no right to delegate their functions to other persons. In the absence of the Chairman and the Deputy Chairman of the Board of Directors duties of the Chairman of the Board of Directors are performed by one of the members of the Board of Directors elected by a majority of votes of members of the Board of Directors present at the meeting of the Board of Directors.
- 5.4. The Board of Directors has the right to re-elect its Chairman and/or Deputy Chairman of the Board of Directors at any time by a majority of votes of members of the Board of Directors.
- 5.5. The Chairman of the Board of Directors:
 - represents the Board of Directors and acts on behalf of the Board of Directors in relations with sole executive bodies of the Company, shareholders and third parties;
 - plans and organizes the work of the Board of Directors (together with the Secretary of the Board of Directors);
 - convenes meetings of the Board of Directors and presides at such meetings;
 - determines the form of holding meetings of the Board of Directors;
 - provides members of the Board of Directors with information on agenda issues;

- fosters transparent and open discussions of issues of meetings, takes into account views of all members of the Board of Directors when making decisions, sums up the debates and formulates the decisions;
 - makes proposals for forming committees of the Board of Directors and for their composition;
 - controls the execution of decisions taken by the Board of Directors and the General Meeting of Shareholders of the Company;
 - signs letters and other documents on behalf of the Board of Directors;
 - signs an agreement with sole executive bodies of the Company or a management company on behalf of the Company if there is no other person authorized by the Board of Directors;
 - presides at the General Meeting of Shareholders;
 - supervises the activities of the sole executive body and the management of the Company on implementation of decisions of the General Meeting of Shareholders and the Board of Directors;
 - bears personal responsibility before the General Meeting of Shareholders for organization of activities of the Board of Directors.
- 5.6. The Secretary of the Board of Directors shall ensure the effective performance of the Board of Directors.
- 5.7. The Secretary of the Board of Directors is appointed and dismissed by the decision of the Board of Directors.
- 5.8. Functions of the Secretary of the Board of Directors can be fulfilled by the Corporate Secretary of the Company and employees of the special structural unit. The Secretary of the Board of Directors and employees of the structural unit are staff members of the Company. They carry out their activities guided by current laws of the Russian Federation, the Charter of the Company, these Regulations, Regulations on Corporate Secretary of FESCO and other internal documents of the Company.
- 5.9. The Secretary of the Board of Directors:
- in person and in the procedure of general governance of the special structural unit of the Company, ensures organizational, information and documentation support of activities of the Board of Directors in connection with preparing and holding of meetings of the Board of Directors and between such meetings;
 - receives requests on convening of meetings of the Board of Directors and/or committees of the Board of Directors as well as the documents necessary to shape the agenda and prepare the meetings;
 - shapes draft agendas of meetings of the Board of Directors and submits them for approval by Chairman of the Board of Directors;
 - by order of the Chairman of the Board of Directors informs in writing all members of the Board of Directors about upcoming meetings of the Board of Directors in accordance with the procedure established in these Regulations;
 - provides members of the Board of Directors with relevant materials for holding meetings of the Board of Directors and/or meetings of committees of the Board of Directors, including sending materials with the use of the automated system;
 - keeps track of correspondence addressed to the Board of Directors;
 - maintains records (minutes, transcripts or audio recording) of meetings of the Board of Directors and/or committees of the Board of Directors;
 - provides technical and organizational assistance to members of the Board of Directors responsible for preparation of issues to be discussed at meetings of the Board of Directors;
 - prints, copies and sends documents and materials (draft documents and materials) of the Board of Directors to respective persons;
 - ensures preparing and sending of voting ballots to members of the Board of Directors when holding meetings of the Board of Directors in the form of absentee voting or if it is necessary to take into account written opinions of absent members of the Board of Directors, as well as their reception and processing in accordance with these Regulations;

- provides organizational support for voting at meetings, including support for voting with the use of the automated system;
- archives and stores all documents and materials relating to the activities of the Board of Directors;
- manages overall activities of the special structural unit of the Company, provides every kind of support to activities of committees and working groups of the Board of Directors;
- assists the Chairman of the Board of Directors in planning the work of the Board of Directors;
- ensures strict compliance of these Regulations to the requirements under the guidance of Chairman of the Board of Directors;
- executes orders of the Chairman of the Board of Directors;
- implements other functions in accordance with current laws of the Russian Federation, the Charter of the Company, these Regulations and internal documents of the Company.

Article 6. Meetings of the Board of Directors

1. The procedure of Convening of the Board of Directors

- 6.1. Meetings of the Board of Directors shall be held according to the action plan approved by the Board of Directors, but not less than once in 6 weeks, including meetings in the form of absentee voting. If necessary, the Chairman of the Board of Directors decides on holding an extraordinary meeting of the Board of Directors. The newly elected Board of Directors elected by the General Meeting of Shareholders shall convene its first meeting at the earliest convenience but not later than 6 weeks from the date of its election by the General Meeting of Shareholders.
- 6.2. A meeting of the Board of Directors is convened by the Chairman of the Board of Directors on their own initiative, on demand of a member of the Board of Directors, Audit commission or auditor of the Company, executive bodies of the Company. The first meeting of the newly-elected Board of Directors shall be called by one of the members of the Board of Directors by sending a notification on convening of a meeting to all other members of the Board of Directors and to the President of the Company.
- 6.3. The request to convene a meeting of the Board of Directors shall be submitted in writing to the Chairman of the Board of Directors and the Secretary of the Board of Directors. The transfer of requirements is carried out by email, fax, post or personal service. The request shall mandatorily include:
 - full name of the person initiating convening of a meeting of the Board of Directors,
 - time and motivation for convening of a meeting of the Board of Directors,
 - the address where to send a response to the request,
 - wording of issues proposed for consideration by the Board of Directors,
 - draft resolutions for each issue proposed in the agenda,
 - information (materials) on issues proposed in the agenda presented to members of the Board of Directors for the meeting,
 - the request shall be signed by the initiator of convening of the meeting.

Persons, who have the right to call for an extraordinary meeting of the Board of Directors, send a request to convene the Board of Directors to the Chairman of the Board of Directors not later than 20 days before the proposed date of the meeting of the Board of Directors. The date of the submission of the request for convening of a meeting the Board of Directors is specified by the date of receipt of the request by the Secretary of the Board of Directors.

- 6.4. The Chairman of the Board of Directors has no right to change wording of draft decisions specified in the requirement.
- 6.5. The Chairman of the Board of Directors who received a written request to convene a meeting of the Board of Directors, within 5 working days specifies the date, the time and the place of meeting, defines the form of holding the meeting of the Board of Directors. In case if the request

does not meet the requirements of item 6.3 of these Regulations, the Chairman sends to the person who requests to convene a meeting of the Board of Directors, a reasoned refusal to convene a meeting.

- 6.6. A meeting of the Board of Directors called at the request of persons specified in item 6.2 of these Regulations shall be held within 20 calendar days from the date of the submission of the request.
- 6.7. The Chairman of the Board of Directors shall convene a meeting of the Board of Directors to resolve the following issues:
- convening (preparing) of the annual General Meeting of Shareholders and taking decisions necessary for its convening (preparing) and holding, in accordance with item 1 of article 54 of the Federal Law On Joint-Stock Companies;
 - preliminary approval of the annual report of the Company according to item 4 article 88 of the Federal Law On Joint-Stock Companies;
 - consideration of proposals of shareholders on introducing issues to the agenda of the annual General Meeting of Shareholders and nomination of candidates to the bodies of the Company in accordance with items 1, 2 article 53 of the Federal Law On Joint-Stock Companies. Taking decisions on inclusion of issues in the agenda of the annual General Meeting of Shareholders. Inclusion or rejection of inclusion of candidates for voting on elections to the bodies of the Company;
 - taking a decision on convening of the General Meeting of Shareholders for election of a new composition of the Board of Directors in the case stipulated in item 2 article 68 of the Federal Law On Joint-Stock Companies.
- 6.8. If within the term specified in item 6.6. of these Regulations, a meeting of the Board of Directors is not convened by its Chairman, it shall be convened by the person who requests convocation. At that, preparation and organization of a meeting of the Board of Directors is carried out by the person who requested convening of a meeting of the Board of Directors.
- 6.9. An emergency meeting of the Board of Directors shall be called at the request of the Chairman of the Board of Directors, not less than two members of the Board of Directors, at the request of executive bodies of the Company, Audit commission of the Company, the Company's auditor. The emergency meeting of the Board of Directors shall be called within 2 working days. The agenda of the emergency meeting of the Board of Directors shall be sent to members of the Board of Directors within 1 working day prior to the date of the meeting of the Board of Directors.

2. Notification of Convening of a Meeting of the Board of Directors. Agenda of the Meeting.

- 6.10. All members of the Board of Directors shall be notified on calling of the meeting of the Board of Directors within a period of not less than 5 calendar days before the date of the meeting, with the exception of item 6.9 of these Regulations. The notification of convening a meeting shall be sent by the Secretary of the Board of Directors to members of the Board of Directors in writing by e-mail or any other way convenient for them (including by post, telegraph, teletype or other means of communication). Alongside with the notification on convening a meeting of the Board of Directors, there is given an access to the agenda and agenda related materials (explanatory notes, reports, explanatory documents, draft documents, draft decisions of the Board of Directors, other reference materials) in the automated system. The materials can also be sent to a member of the Board of Directors together with the notification convening the meeting of the Board of Directors by email upon their request.
- 6.11. The notification of convening a meeting of the Board of Directors shall include:
- agenda issues,
 - form, date, time, place of the meeting.
- 6.12. The notification of convening a meeting shall be prepared by the Secretary of the Board of Directors and signed by the Chairman of the Board of Directors.

- 6.13. The Secretary of the Board of Directors shall be responsible for preparing and sending materials for the meeting. All members of the Board of Directors shall be provided with the specified information (materials).
- 6.14. The list of persons invited to the meeting of the Board of Directors is drawn up by the Chairman of the Board of Directors based on proposals of members of the Board of Directors, executive bodies, Audit commission of the Company, the Company's auditor.
- 6.15. Proposals for the agenda of the Board of Directors may be brought by members of the Board of Directors, members of the Audit commission, the Company's auditor, and executive bodies of the Company.
- 6.16. The agenda of a meeting of the Board of Directors shall be drafted by the Chairman of the Board of Directors no less than 5 calendar days before the date of the meeting of the Board of Directors except for item 6.9 of these Regulations. The final agenda of an in-person meeting of the Board of Directors is drafted at the beginning of the meeting of the Board of Directors.

3. *The Procedure of Holding of a Meeting of the Board of Directors*

- 6.17. When taking decisions at a meeting of the Board of Directors each member of the Board of Directors shall be entitled to one vote. Transfer of the right to vote by a Member of the Board of Directors to other persons, including other Members of the Board of Directors, shall be deemed impermissible.
- 6.18. At the beginning of the meeting the number of members of the Board of Directors participating in the meeting is announced and the presence of quorum is determined.
- 6.19. The quorum for holding a meeting of the Board of Directors constitutes a simple majority of the number of members elected to the Board of Directors.
- 6.20. Members of the Board of Directors shall be deemed present at a meeting of the Board of Directors, if they participate at the meeting through teleconferencing or video conferencing.
- 6.21. If all members of the Board of Directors have taken part in the meeting, the Board of Directors has the right to include in the agenda and to discuss additional issues that were not initially included in the agenda. Not later than the working day following the day of the meeting, the Secretary of the Board of Directors sends the voting ballots and materials on additional agenda issues to the members of the Board of Directors who did not personally participate in the meeting but submitted their written opinion on the previously sent agenda. The members of the Board of Directors shall have the right to vote on these issues by sending their written opinion to the Board of Directors no later than 2 days from the date of receipt of materials.
- 6.22. Decisions at a meeting of the Board of Directors are taken by a majority of votes of members of the Board of Directors participating in such meeting, unless otherwise is stipulated by the Federal Law On Joint-Stock Companies and the Charter of the Company.
- 6.23. Decisions of the Board of Directors taken at a meeting of the Board of Directors shall enter into force upon the decision of the Board of Directors.
- 6.24. When determining a quorum and voting results, a written opinion of the member of the Board of Directors absent at the meeting is taken into account in respect of questions of the agenda as well as the opinion in the automated system. The written opinion of the member of the Board of Directors may contain their vote on all agenda issues and certain issue of the agenda. The written opinion shall be attached to minutes of meeting of the Board of Directors.
- 6.25. The written opinion shall be presented by the member of the Board of Directors to secretary of the Board of Directors prior to the meeting of the Board of Directors.
- 6.26. At the meeting the Chairman of the Board of Directors shall announce the written opinion of the member of the Board of Directors who is absent at the meeting prior to voting on the agenda issue with regard to which the written opinion is submitted.

- 6.27. In case of presence of the member of the Board of Directors at the meeting of the Board of Directors their written opinion received before the meeting, shall not be announced and shall not be taken into account in establishing the presence of a quorum and summing up the votes.
- 6.28. A member of the Board of Directors who did not take part in voting or voted against the decision taken by the Board of Directors in violation of requirements of effective Russian laws, the Charter of the Company has the right to appeal in court against taking the decision if the decision infringed their rights and lawful interests. Such application may be submitted to court within 1 month since the date when the member of the Board of Directors knew or should have known of the decision taken. A member of the Board of Directors who does not agree with the opinion of the majority of members of the Board of Directors, has the right to write a separate opinion within 24 hours since the end of the meeting to be attached to minutes of meeting of the Board of Directors.

4. Meeting of The Board of Directors (absentee voting)

- 6.29. The Board of Directors has the right to take decisions by absentee voting (poll, sending voting ballots to members of the Board of Directors).
- 6.30. Members of the Board of Directors whose voting ballots are received by the Secretary of the Board of Directors by email (scans), fax or original documents or Members of the Board of Directors who voted on draft decisions in the automated system before the submission date stated in the notification on conveying a meeting of the Board of Directors shall be deemed as having participated in the voting.
- 6.31. The voting ballot received by the Company after the date indicated in the ballot shall not be considered during calculation of votes and summing up of results of the absentee voting.
- 6.32. The decision of the Board of Directors by means of absentee voting, shall enter into force from the moment of summing up the vote.

5. Minutes of Meeting of the Board of Directors

- 6.33. Minutes of meeting are kept at meetings of the Board of Directors. Minutes of meeting of the Board of Directors shall be drawn up not later than 3 days after meetings by personal attendance or not later than 3 days after the deadline for receiving voting ballots for meetings in the form of absentee voting.
- 6.34. Minutes of meeting shall include:
- place and time of holding the meeting,
 - persons attending the meeting,
 - agenda of the meeting,
 - questions put to vote and voting results on such questions,
 - taken decisions,
 - other details stipulated by Russian laws or these Regulations.
- 6.35. Minutes of meeting of the Board of Directors are signed by the person presiding the meeting who is responsible for correctness of drawing up the minutes of meeting and by the secretary of the Board of Directors.
- 6.36. In case of decisions concerning officers of the Company, the secretary of the Board of Directors sends them extracts of minutes on the resolutions. Extracts of minutes of the Board of Directors are signed by the Secretary of the Board of Directors and sealed.

Article 7. Limitations Associated with the Execution of Powers by Members of the Board of Directors

- 7.1. A member of the Board of Directors may not simultaneously be a member of the Audit commission of the Company.
- 7.2. A member of the Board of Directors may not simultaneously be a member of the Tabulation commission of the Company.
- 7.3. The Company's shares held by members of the Board of Directors may not take part in voting during election of the Audit commission of the Company.

Article 8. Committees of the Board of Directors

- 8.1. The Board of Directors forms committees of the Board of Directors for the purposes of preliminary preparation and consideration of the most important issues to be discussed at the meeting of the Board of Directors, adoption of reasonable and effective decisions and control over execution of decisions.
- 8.2. The main functions of committees are preliminary comprehensive study of issues within the competence of the Board of Directors on its activities, and preparing recommendations for making decisions by the Board of Directors on relevant issues.
- 8.3. Committees may engage employees of the Company and other specialists.
- 8.4. Committees of the Board of Directors operate on the basis of the regulations on committees approved by the Board of Directors.

Article 9. Storage and Use of Documents of the Board of Directors

- 9.1. Minutes of meetings of the Board of Directors shall be made available for review upon request to shareholders of the company holding not less than 1 (one) per cent of voting shares of the Company, members of the Board of Directors, members of the Audit commission, the Company's auditor, executive bodies of the Company, official representatives of the state bodies.
- 9.2. As a result of the activities of the Board of Directors, archives of the Board of Directors (in paper and electronic form) are generated.
- 9.3. The archives of the Board of Directors include:
 - minutes of meetings of the Board of Directors,
 - attachments the minutes of meeting of the Board of Directors,
 - other information materials for meetings of the Board of Directors,
 - journal of official correspondence of the Board of Directors (if any),
 - documents and materials of committees of the Board of Directors,
 - profiles of members of the Board of Directors,
 - other materials and documents.
- 9.4. Minutes of the meetings of the Board of Directors shall be kept at the location of the Company in the manner and within the time limits prescribed by the applicable laws.
- 9.5. The Secretary of the Board of Directors systemizes and archives materials for meetings of the Board of Directors and keeps minutes of the Board of Directors.
- 9.6. Employees of the Company having access to documents of the Board of Directors are responsible for disclosure of confidential information, in accordance with current laws of the Russian Federation and internal documents of the Company. Information confidentiality is determined by internal documents of the Company and/or of the Board of Directors (recorded in the minutes of the relevant meeting).
- 9.7. In cases not specified by these Regulations, the access to information and materials related to issues discussed at meetings of the Board of Directors may be given only with the permission of the Board of Directors, Chairman or Deputy Chairman of the Board of Directors.

Article 10. Final Provisions

- 10.1. The Regulations are approved by the General Meeting of Shareholders of the Company.
- 10.2. Decisions on amendment of these Regulations and approval of the amended Regulations are taken by the General Meeting of Shareholders in the order stipulated by the Federal Law On Joint-Stock Companies and the Charter of the Company.
- 10.3. If, as a result of changes in the legislation of the Russian Federation individual items of these Regulations contradict the legislation of the Russian Federation, the relevant items of these Regulations lose force, and the Regulations shall be valid in the part not contradicting the

legislation of the Russian Federation.

- 10.4. If, as a result of changes in the Charter of the Company, separate items of these Regulations contradict the Charter of the Company, these items lose legal force. Until the Regulations change, the Charter of the Company shall be applied.