

Non-binding translation

APPROVED

February 26, 2007

by the general meeting of the shareholders of open
joint-stock company M. Video Company
Minutes No. 4 dated February 26, 2007

R E G U L A T I O N
ON
THE GENERAL SHAREHOLDERS' MEETING
Open joint-stock company
M. Video Company

Moscow
2007

Article 1. General Provisions

1.1. This Regulation on the General shareholders' meeting (hereinafter referred to as the "Regulation") is approved in accordance with the Federal Law "On Joint-stock Companies" and other statutory legal acts of the Russian Federation, as well as the Charter of Open Joint-Stock Company M. Video Company (hereinafter referred to as the "Company"), it determines preparation, convocation, holding and registration of the results of the General meeting of the Company's shareholders.

1.2. The General shareholders' meeting is the Company's superior governing body.

1.3. The Company is to hold the annual General shareholders' meeting on an annual basis. General shareholders' meetings held in addition to the annual General meeting shall be referred to as extraordinary General meetings.

1.4. The General shareholders' meeting can be held:

- In the meeting format (joint presence of the shareholders to discuss agenda items and making decisions on the issues put to the vote);
- In the form of absentee voting, with the exception of cases specified in Par. 2 Article 50 of the Federal Law "On Joint-stock Companies"; the date of the decision made by the General shareholders' meeting held in the form of absentee voting is the date of ballots acceptance termination.

1.5. The competence of the General shareholders' meeting, the number of the shareholders' votes required to make a decision on the issues within the competence of the General shareholders' meeting, as well as the list of issues to be resolved at the annual General shareholders' meeting or can be resolved exclusively at the General shareholders' meeting held in the form of a meeting shall be determined in accordance with the Federal Law "On Joint-stock Companies" and the Company Charter.

Article 2. Preparation of the General shareholders' meeting

2.1. The annual General shareholders' meeting is held at the decision of the Board of Directors not earlier than two months and not later than six months after the end of the financial year.

2.2. An extraordinary General shareholders' meeting is held at the decision of the Board of Directors made by its own initiative or at the demand of the Revision Commission, the Company's Auditor or shareholder (shareholders), owning at least 10 percent of the Company's voting shares as of the date of presenting the demand.

An extraordinary General shareholders' meeting held at the demand of the Revision Commission, the Company's Auditor or shareholder (shareholders), owning at least 10 percent of the Company's voting shares is to be held within 40 days from presenting the demand on holding extraordinary General shareholders' meeting.

If the proposed agenda of the extraordinary General shareholders' meeting contains an item about electing the members of the Company's Board of Directors, then such General shareholders' meeting is to be held within 70 days from presenting the demand on holding the extraordinary General shareholders' meeting.

2.3. Items to be included in the agenda of the meeting are to be formulated in the demand on holding the extraordinary General shareholders' meeting. The demand on holding the extraordinary General shareholders' meeting can contain wordings of decisions on each of these items, and a proposal on the form of holding the General shareholders' meeting. If the demand on the convocation of the extraordinary General shareholders' meeting contains a proposal on candidates nomination, this proposal is regulated by Article 53 of the Federal Law "On Joint-stock Companies".

2.4. Within five days from the date of presenting the demand of the Revision Commission, the Company's auditor or shareholders (shareholder) owning at least 10 percent of the Company's voting shares about the convocation of the extraordinary General shareholders' meeting the Company's Board of Directors is to make a decision on the convocation of the extraordinary General shareholders' meeting or on refusal to convene it.

2.5. A decision on the refusal to convene an extraordinary General shareholders' meeting at the demand of the Company's Revision Commission, the Company's Auditor or shareholders (shareholder) owning at least 10 percent of the Company's voting shares can be made, if:

- The procedure for presenting the demand on the convocation of the extraordinary General shareholders' meeting provided for by this Charter and the Federal Law "On Joint-stock Companies" is not complied with;
- The shareholders (shareholder) demanding the convocation of the extraordinary General shareholders' meeting, do not own the required number of the Company's voting shares;
- None of the items proposed for including in the agenda of the extraordinary General shareholders' meeting is within its competence and (or) is inconsistent with the requirements of the Federal Law "On Joint-stock Companies" and other statutory legal acts of the Russian Federation.

2.6. The decision of the Company's Board of Directors about the convocation of the extraordinary General shareholders' meeting or a motivated decision about the refusal to convene it is sent to persons demanding its convocation not later than three days from the moment of making this decision.

The decision of the Company's Board of Directors about the refusal to convene the extraordinary General shareholders' meeting can be appealed in court.

2.7. Should the Company's Board of Directors fail to make a decision about the convocation of the extraordinary General shareholders' meeting within the established time period by or a decision is made about a refusal to convene it, the extraordinary General shareholders' meeting can be convened by the Company's bodies and persons demanding its convocation. At the same time, the Company's bodies and the persons convening the extraordinary General shareholders' meeting have powers provided for by the Federal Law "On Joint-stock Companies" and the Company Charter required to convene and hold the General shareholders' meeting.

2.8. The Board of Directors is to include in the agenda of the General shareholders' meeting items proposed by the shareholders, subject to the requirements established by the laws of the Russian Federation, the Company Charter and this Regulation and pertaining to the competence of the General shareholders' meeting.

2.9. The shareholder (shareholders) jointly owning at least 2 percent of the Company's voting shares, can include items in the agenda of the annual General shareholders' meeting and propose candidates to the Company's Board of Directors, the Company's Revision Commission, whose number cannot exceed the number of members of the relevant body. Such proposals are to be received by the Company not later than 60 days after the end of the fiscal year.

Should the proposed agenda of the extraordinary General shareholders' meeting contain an item about electing the members of the Company's Board of Directors, the Company's shareholders (shareholder) jointly owning at least 2 percent of the Company's voting shares can propose candidates for electing to the Company's Board of Directors, whose number cannot exceed the number of members of the Company's Board of Directors. Such proposals are to be received by the Company at least 30 days before the date of holding the extraordinary General shareholders' meeting.

2.10. The proposal about including items in the agenda of the annual General shareholders' meeting and about proposing candidates to the Company's governing and control

bodies, as well as the demand on the convocation of the extraordinary General shareholders' meeting is made by the shareholders (shareholder) in writing, indicating the shareholders' (shareholder's) name (denomination), number and category (type) of shares belonging to them and is to be signed by the shareholders (shareholder) who made this proposal or demand.

2.11. If the proposal on including an item in the agenda of the General shareholders' meeting or proposing candidates to the Company's control and governing bodies, the demand to convene a General shareholders' meeting indicates that it is made by several shareholders (persons), but such proposal or demand is signed by only part of them, it is deemed to be made by those shareholders (shareholder), persons (person) who signed it.

2.12. If the proposal on including items in the agenda of the General shareholders' meeting or proposing candidates, the demand to convene an General shareholders' meeting indicates that it is signed by a representative of the person making the proposal or demanding a convocation of an extraordinary General shareholders' meeting, an original or a copy of a document confirming the representative's relevant powers attested by a notary public is to be attached to the proposal (demand).

2.13. If the proposal on including items in the agenda of the General shareholders' meeting, the demand to convene an General shareholders' meeting extraordinary General shareholders' meeting is signed by a shareholder the rights to whose shares are recorded in the deposit account in the depository (such shareholder's representative), statement of the shareholder's deposit account in the relevant depository is to be attached to this proposal.

2.14. Each submitted proposal (demand) shall be reviewed by the Board of Directors separately. If the same item is contained (the candidate is indicated) in several proposals, the votes belonging to shareholders who signed different proposals (demands) are not summed up. To include an item (a candidate) in the agenda it is necessary for at least one proposal containing this item (candidate) or demand to be made by the shareholder (shareholders) owning the necessary number of voting shares.

The Company's Board of Directors is to review proposals received and to make a decision on including them in the agenda of the General shareholders' meeting or on refusing to include them in the said agenda not later than five days after the expiration of the time period provided for by Item 2.9 of this Regulation. An item proposed by the shareholders (shareholder) is to be included in the agenda of the General shareholders' meeting, just as the proposed candidates are to be included in the list of candidates for voting on the election to the Company's relevant body, with the exception of cases, when:

- The shareholders (shareholder) have not complied with the established proposal submission schedule;
- The shareholders (shareholder) do not own the required number of the Company's voting shares;
- The proposal is inconsistent with the requirements provided for by the current statutory legal acts of the Russian Federation, the Company Charter and internal documents;
- The item proposed for including in the agenda of the General shareholders' meeting is not within its competence and (or) is inconsistent with this Federal Law and other statutory legal acts of the Russian Federation.

2.15. If one of the proposals (requirements) indicates a greater number of candidates to the Company's bodies, than the Charter, the Company's internal documents and decisions of the Company's authorized bodies specify, the Board of Directors reviews the number of candidates corresponding to the number of members of this body of the Company specified by the Charter, the Company's internal documents and decisions of the Company's authorized bodies. In this case the first candidates in the order indicated in the proposal on the candidates nomination

(demand on the convocation of an extraordinary General shareholders' meeting) are taken into account.

2.16. The proposal on the candidates nomination (if such proposal is contained in the demand on the convocation of an extraordinary General shareholders' meeting) contains the following information on the proposed candidates:

- name of the body to which the candidate is nominated;
- family name, name and patronymic;
- date of birth;
- education (indicating the educational institution and the year of graduation);
- position as of the date of submitting the proposals on the candidate nomination, information on the membership in the governing and control bodies of other legal entities;
- the candidate's affiliates (including the family name, name and patronymic, denomination, grounds on which this person is the candidate's affiliate) – for candidates to the position of members of the Company's Board of Directors;
- limitations (prohibitions) in accordance with statutory legal acts of the Russian Federation and (or) by the court judgment on occupying positions in the management bodies of commercial organizations and (or) on engaging in certain activities;
- other information provided for by the Company Charter and internal documents.

The candidate's written consent to the nomination (with the exception of candidates' self-nomination cases) and the candidate's confirmation of the accuracy and completeness of the above-listed information about him are to be attached to the proposal on candidate nomination.

2.17. A motivated decision of the Board of Directors about the refusal to include the proposed item in the agenda of the General shareholders' meeting or a candidate in the list of candidatures for voting on the election to the Company's relevant body is sent to the shareholders (shareholder) who proposed the item or the candidate not later than three days from the date of making it.

The decision of the Board of Directors on the refusal to include an item in the agenda of the General shareholders' meeting or a candidate in the list of candidatures on the election to the relevant Company's body, as well as the Company's Board of Directors evading a decision can be appealed in court.

2.18. The Board of Directors cannot change the wording of agenda items, the wording of decisions on such items or change the proposed format of the General shareholders' meeting convened at the demand of the Revision Commission, the Company's Auditor or shareholders (shareholder) owning at least 10 percent of the Company's voting shares.

2.19. In addition to items proposed by the shareholders for including in the agenda of the General shareholders' meeting, and in the absence of such proposals, absence or insufficient number of candidates proposed by the shareholders for forming the relevant body, the Board of Directors can include in the agenda of the General shareholders' meeting additional items or additional candidates in the list of candidatures at its discretion.

2.20. When preparing the General shareholders' meeting the Board of Directors shall determine:

- the form of holding the General shareholders' meeting (a meeting or absentee voting);
- date, place and time of holding the General shareholders' meeting;
- date of preparing the list of persons entitled to participate in the General shareholders' meeting;
- the agenda of the General shareholders' meeting;

- the procedure of notifying the shareholders of the General shareholders' meeting;
- a list of information (materials) presented to the shareholders during the preparation of the General shareholders' meeting and the procedure for its presentation;
- the form and text of the ballot in case of voting by ballots;
- mail address to which filled in ballots can be sent, or, if the General shareholders' meeting is held in the form of absentee voting, the date of ballots acceptance termination and mail address to which filled in ballots are to be sent;
- date, place and time of the beginning of the registration of persons participating in the General shareholders' meeting (if it is held in the meeting format);
- other conditions of preparation and holding of the General shareholders' meeting, required in accordance with the Federal Law "On Joint-stock Companies", other statutory legal acts of the Russian Federation, the Company Charter and this Regulation.

2.21. Should items be included in the agenda voting on which can, in accordance with the Federal Law "On Joint-stock Companies" entail the shareholders' right to demand the Company's redemption of shares belonging to them, the Board of Directors is to determine the share redemption price, redemption procedure and deadlines.

Article 3. Information on holding the General shareholders' meeting

3.1. The notification on the General shareholders' meeting is to be made at least 30 days before the date of the meeting.

The notification on the General shareholders' meeting the agenda of which contains an item about the election of members of the Company's Board of Directors is to be made at least 70 days before the date of the meeting.

Within the said time period the notification on holding the General shareholders' meeting is to be sent to each person in the list of persons entitled to participate in the General shareholders' meeting by registered letter or is to be delivered to each of such persons on receipt or published in "Rossiyskaya Gazeta" newspaper.

In addition, the Company is to inform the shareholders about holding the General shareholders' meeting using other methods.

3.2. The notification on holding the General shareholders' meeting is to contain the following information:

- the Company's full corporate name and its location;
- the form of holding the General shareholders' meeting (a meeting or absentee voting);
- date, place and time of holding the General shareholders' meeting;
- date of preparing the list of persons entitled to participate in the General shareholders' meeting;
- the agenda of the General shareholders' meeting;
- the form and text of the ballot in case of voting by ballots;
- mail address to which filled in ballots can be sent, or, if the General shareholders' meeting is held in the form of absentee voting, the date of ballots acceptance termination and mail address to which filled in ballots are to be sent;
- date, place and time of the beginning of the registration of persons participating in the General shareholders' meeting (if it is held in the meeting format);

- procedure for reading the information (materials) to be provided during the preparation of the General shareholders' meeting and the address (addresses) where one can read it;
- other conditions of preparation and holding of the General shareholders' meeting, required in accordance with the Federal Law "On Joint-stock Companies", other statutory legal acts of the Russian Federation, the Company Charter and this Regulation.

3.3. Information (materials) to be provided to persons entitled to participate in the General shareholders' meeting should be available for reading by the said persons at the location of the Company's one-man executive body (General Director), as well as at other places whose addresses are indicated in the notification of the General shareholders' meeting for 30 days before holding the General shareholders' meeting. The said information (materials) is to be available to persons participating in the General shareholders' meeting at the time of the meeting.

At the decision of the Company's Board of Directors this information (materials) can be sent to the said persons together with the notification on holding the General shareholders' meeting.

3.4. Information (materials) to be provided to persons entitled to participate in the General shareholders' meeting during the preparation thereof shall include (depending on the items of the agenda):

- annual accounting reports, as well as the auditor's findings and the findings of the Company Revision Commission based on the results of the audit of annual accounting reports;
- the Company's annual report;
- information about candidates for the position of the Company's members of the Board of Directors, the Revision Commission and the Company's returning board, including information about the availability of their written consent to be elected to the relevant position;
- draft amendments and addenda to the Company Charter or the new version of the Company Charter;
- the Company's draft internal documents;
- draft decisions of the General shareholders' meeting;
- recommendations of the Company's Board of Directors on profit distribution, including recommendations on the size of dividends on the Company's shares and the procedure for paying them and the Company's losses on the results of the fiscal year;
- other information (materials) provided for by the Federal Law "On Joint-stock Companies", other statutory legal acts of the Russian Federation, the Company Charter or the decision of the Board of Directors on the convocation of the General shareholders' meeting.

3.5. At the demand of a person entitled to participate in the General shareholders' meeting the Company is to provide him with copies of documents specified in item 3.4. of this Regulation within 7 days from the date the relevant requirement is received by the Company.

The fee charged by the Company for providing the copies of the said documents cannot exceed costs on making them.

Article 4. Grounds and procedure for the shareholders' participation in the General shareholders' meeting

4.1. The list of persons entitled to participate in the General shareholders' meeting (hereinafter referred to as the "List") is prepared on the basis of information from the Company shareholders register as of the date established by the Company's Board of Directors. The Date of preparing the List cannot be scheduled earlier than the decision is made about holding the General shareholders' meeting and more than 50 days from the date of holding the General shareholders' meeting, and if the proposed agenda of the extraordinary General shareholders' meeting contains an item about the election of the members of the Company's Board of Directors – more than 65 days before the date of holding the General shareholders' meeting.

At the demand of a shareholder the Company within three days is to provide him with information about including him in the List.

The Company provides the List for reading at the demand of persons included in the List and owning at least 1 percent of the votes. Information from documents and mail addresses of individuals included in the List is provided only at the consent of these persons.

4.2. The Company auditor, the members of the Board of Directors, the Company's one-man executive body, members of the Revision commission, candidates included in the ballots on the election of the Company's governing and control bodies and other persons can also be present at the General shareholders' meeting.

If the agenda of the General shareholders' meeting includes items on forming the Company's governing and control bodies, election of the Company's auditor the Company does its utmost to ensure the candidates' presence at the election to the Company's (Company auditor's) governing and control bodies at such General shareholders' meeting.

4.3. A shareholder can exercise his right to participate in the General shareholders' meeting both in person and through his representative.

A shareholder can at any time replace his representative at the General shareholders' meeting or participate in the General shareholders' meeting in person.

4.4. The shareholder's representative at the General shareholders' meeting shall act on the basis of the law or a proxy for voting drawn up in writing. The proxy for voting is to contain information about the represented person and the representative (name or denomination, place of residence or location, passport information). The proxy for voting is to be drawn up in accordance with the requirements of items 4 and 5 of Article 185 of the Civil Code of the Russian Federation or to be attested by a notary public.

4.5. Should shares be transferred after the date of drawing up the List and before the date of holding the General shareholders' meeting the person included in the List is to issue the buyer a proxy to participate in the General shareholders' meeting or to vote at the General shareholders' meeting according to the instructions of the buyer of the shares. The said rule is also applied to each subsequent case of shares transfer.

4.6. Should a Company share be joint property of several persons, the rights to vote at the General shareholders' meeting is exercised at their discretion by one of the participants of the joint property or by their common representative. The powers of each of the said persons are to be drawn up in an appropriate manner.

Article 5. Ballots

5.1. Voting on the items of the agenda of the General shareholders' meeting may be made with ballots (hereinafter referred to as "Ballot", "Ballots"). In this case the ballot shall be provided to each person from the List of persons entitled to participate in the General shareholders' meeting (his representative) who registered for participation in the General shareholders' meeting upon the person's signature.

5.2. The ballot is to contain the following information:

- the Company's corporate name and location;

- the form of holding the General shareholders' meeting (a meeting or absentee voting);
- date, place and time of holding the General shareholders' meeting;
- mail address to which filled in ballots can be sent, if under the Federal Law "On Joint-stock Companies" filled in ballots can be sent to the Company;
- if the General shareholders' meeting is held in the form of absentee voting, the date of ballots acceptance termination and mail address to which filled in ballots are to be sent;
- wording of decisions on each item (family name, name, patronymic of each candidate) which is voted by this Ballot;
- variants of voting on each item of the agenda expressed by words "for", "against" and "abstained";
- indication that the ballot should be signed by the member of the General shareholders' meeting.

5.3. The Ballot should also contain the following explanations:

- - the voter can choose only one variant of voting, with the exception of cases of voting according to the instructions of persons who bought the shares after the date of drawing up the List;
- - if there are more than one variant of voting, the fields for entering the number of votes for each variant of voting, the number of votes given for each variant of voting is to be indicated, and a note should be made that voting is carried out in accordance with the instructions of the buyers of shares transferred after the date of drawing up the List;
- - the voter under a proxy issued in respect of the shares transferred after the date of drawing up the List is to indicate the number of votes given for the remaining variant of voting in the field for entering the number of votes opposite the remaining variant of voting and make a note that voting is carried out by proxy issued in respect of the shares transferred after the date of drawing up the List;
- - if after the date of drawing up the List some shares have not been transferred, the voter is to indicate the number of votes given for the remaining variant of voting in the field for entering the number of votes opposite the remaining variant of voting and make a note that part of the shares were transferred after the date of drawing up the List. If in respect of the shares transferred after the date of drawing up the List instructions of the buyers of such shares have been received coinciding with the remaining variant of voting, such votes are summed up.

5.4. In the Ballot with which cumulative voting on the item of the election of the members of the Company's Board of Directors is carried out the following information is to be contained:

- explanation of the essence of cumulative voting;
- explanation that the fractional part of the vote received as a result of multiplication of the number of votes belonging to the shareholder owning the fractional share by the number of persons to be elected to the Company's Board of Directors can be given for only one candidate.

5.5. If the Ballot is used to vote on two or more items of the agenda of the General shareholders' meeting and the number of votes which the person entitled to participate in the General shareholders' meeting can use, on different items of the agenda does not coincide, such Ballot should indicate the number of votes which the person entitled to participate in the General shareholders' meeting can use on each item of the agenda of the General shareholders' meeting.

5.6. If the Ballot is signed by the head of a legal entity entitled to participate in the General shareholders' meeting, the signer's position is indicated in the Ballot in addition to the signature.

5.7. If the Ballot is signed by a representative of the person entitled to participate in the General shareholders' meeting acting on the basis of a proxy, the family name and the initials (full name) of the representative and details of the proxy (the number, if any, the date of issue and the person who issued the proxy) are indicated in addition to the signature.

5.8. If the General shareholders' meeting is held in the form of absentee voting, as well as in the form of a meeting, if the person entitled to participate in the meeting decided to vote by sending a filled in Ballot to the Company, the filled in Ballot is sent to the Company by the address indicated in it.

In the case indicated in Item 5.7. of this Regulation the original or a copy of the proxy attested by a notary public is to be attached to the Ballot.

5.9. The Ballot sent to the Company is to be received by the Company:

- in case the General shareholders' meeting is held in the form of absentee voting – till the date of ballots acceptance termination indicated in the Ballot;

The date of receiving the Ballot is determined as the date of the receipt thereof by the Company.

5.10. In summing up the results of the voting votes on the items on which the voters are given only one option for voting are counted (with the exception of cumulative voting, as well as cases indicated in item 5.3. of this Regulation).

Ballots filled in contravention of this requirement shall be deemed void, and votes on the items contained therein shall not be counted. Should a Ballot contain several items put to the vote, failure to comply with the above-said requirement with respect to one or several items does not entail declaring the Ballot void as a whole.

Other cases of declaring Ballots void shall be determined by the current legislation of the Russian Federation.

Article 6. Working bodies of the General shareholders' meeting

6.1. The working bodies of the General shareholders' meeting are its chairman and secretary, as well as (in case indicated in item 6.4. of this Regulation) the returning board.

6.2. The functions of the chairman of the General shareholders' meeting shall be carried out by the Chairman of the Company's Board of Directors, and in his absence the Company's one-man executive body (General Director).

Should the said persons be absent at the extraordinary General shareholders' meeting held in accordance with item 2.7. Article 2 of this Regulation, the person who made a decision about holding such meeting (his representative) the chairman of the General shareholders' meeting, or, if the said decision is made by several persons – one of such persons at their choice.

The Chairman of the General shareholders' meeting shall preside over the General shareholders' meeting held in the meeting format, among other things he shall perform the following functions:

- open and close the General shareholders' meeting;
- determine the necessity of intervals in the course of the General shareholders' meeting and their length;
- determine the form of voting on procedural issues;
- determine the procedure of work of the General shareholders' meeting in cases which are not provided for in the Federal Law "On Joint-stock Companies" and other statutory legal acts of the Russian Federation, the Company Charter, this

Regulation and the decisions of the General shareholders' meeting on procedural issues;

- declare the discussion of items of the agenda of the General shareholders' meeting;
- let persons wishing to speak on the items of the agenda of the General shareholders' meeting have the floor;
- control consistency of the presentations with the agenda;
- read questions to the speakers;
- ensure and restore order in the premises where the General shareholders' meeting is held;
- sign the minutes of the General shareholders' meeting and the minutes on the results of the voting.

6.3. The functions of the secretary of the General shareholders' meeting shall be carried out by a person with professional expertise allowing to record the process of the General shareholders' meeting using stenograph or technical (audio or video) facilities, designated by the chairman of the General shareholders' meeting for each specific meeting.

The functions of the General shareholders' meeting secretary shall be carried out by the Corporate secretary in case he is appointed by the Company.

The Secretary of the General meeting shall carry out the following responsibilities:

- prepare and hand over to the chairman of the General meeting a list of persons wishing to speak on the items of the agenda of the General shareholders' meeting;
- prepare and hand over to the chairman of the General meeting a list of questions to the speakers;
- keep the minutes of the General shareholders' meeting;
- carry out other functions provided for by this Regulation and the decisions of the chairman of the General shareholders' meeting;
- sign the minutes of the General shareholders' meeting and the report on the results of the voting.

6.4. Should the number of shareholders holding the Company's voting shares exceed one hundred a returning board is formed in the Company.

If a registrar is the holder of the Company shareholders register, he can be entrusted with carrying out the function of the returning board. Should the number of shareholders holding the Company's voting shares exceed 500, the functions of the returning board are to be delegated to the said registrar.

The returning board shall comprise three persons.

Members of the Board of Directors and the Revision commission, the Company's one-man executive body (General Director), the management company or the manager, as well as persons nominated as candidates to these positions cannot be members of the returning board.

If the term of office of the returning board has expired or the number of its members is less than three, and if less than three members of the returning board turn up to perform their responsibilities, the registrar can be invited to carry out the functions of the returning board.

The returning board shall carry out the following functions:

- examine the powers and register persons participating in the General shareholders' meeting;
- determine the quorum of the General shareholders' meeting;
- explain issues arising in connection with the implementation by the shareholders (their representatives) of the right to vote at the General shareholders' meeting and the procedure of voting on the items put to the vote;
- ensure the established voting procedure and the shareholders' rights to participate in the voting;

- count the votes and sums up voting results;
- draw up minutes on voting results;
- deliver ballots to the archives;
- carry out other functions entrusted to the returning board by the laws of the Russian Federation, the Company Charter, this Regulation or the decision of the chairman of the General shareholders' meeting.

Article 7. Registration of the participants of the General shareholders' meeting

7.1. Persons participating in the General shareholders' meeting held in the meeting format are to be registered at the address of holding the General shareholders' meeting.

Persons entitled to participate in the General shareholders' meeting are to be registered for participation in the General shareholders' meeting, with the exception of persons whose ballots are received at least two days before the date of the General shareholders' meeting, if voting on the items of the agenda of the General meeting is carried out by sending filled in ballots to the Company.

Persons entitled to participate in the General shareholders' meeting held in the meeting format whose ballots were received at least two days before the date of the meeting can be present at the General shareholders' meeting.

7.2. Documents certifying the powers of the successors and representatives of persons entitled to participate in the General shareholders' meeting (their copies attested by a notary public) are attached to the ballots sent to these persons or are handed over to the returning board or the registrar carrying out the functions of the returning board in the process of these persons' registration for participation in the General shareholders' meeting.

7.3. Persons entitled to participate in the General shareholders' meeting are to be registered subject to the identification by comparing information contained in the list of persons entitled to participate in the General shareholders' meeting with information from the documents presented by the said persons.

7.4. The registration of persons entitled to participate in the General shareholders' meeting who did not register themselves for participation in the meeting before it was opened, is closed not earlier than the discussion of the last item of the agenda of the General shareholders' meeting on which the quorum is present is completed.

Article 8. Quorum of the General shareholders' meeting

8.1. The General shareholders' meeting is competent (has a quorum), if shareholders owning in the aggregate over half the votes of the Company's placed voting shares participated in it.

8.2. The following shareholders are deemed to be participants of the General meeting:

- in case of holding the General shareholders' meeting in the meeting format - registered shareholders (their representatives) and shareholders whose ballots were received at least two days before the date of the General shareholders' meeting;
- In case of holding the General shareholders' meeting in the form of absentee voting – shareholders whose ballots are received before the date of ballots acceptance termination.

8.3. If the agenda of the General shareholders' meeting includes items the voting on which is carried out by a different composition of voters, the quorum for adopting a decision on these items is determined separately. At the same time, lack of a quorum for adopting a decision

on the items voted by one composition of voters does not prevent adopting a decision on the items voted by a different composition of voters for which the quorum is present.

8.4. A General shareholders' meeting held in the meeting format shall be declared open (is to be held), if by the time of its beginning the quorum is present at least one of the items included in the agenda.

8.5. If by the beginning of the General shareholders' meeting there is no quorum on any of the items included in the agenda, the chairman of the returning board or the Company Registrar notifies the chairman of the General meeting thereof. The chairman of the General meeting shall make a decision about adjourning the General shareholders' meeting and about the date to which it is postponed. At the same time the beginning of a General shareholders' meeting cannot be delayed by more than two hours.

Postponing a General shareholders' meeting for more than one time is not allowed.

Should the beginning of a General shareholders' meeting be delayed, actual time of the General shareholders' meeting is recorded in the minutes of the General shareholders' meeting.

8.6. In the absence of the quorum for holding the General shareholders' meeting another General shareholders' meeting is to be held with the same agenda.

In the absence of the quorum for holding an extraordinary General shareholders' meeting another General shareholders' meeting can be held with the same agenda.

8.7. The second General shareholders' meeting is competent (has a quorum), if shareholders owning in the aggregate at least 30 percent of the votes of the Company's placed voting shares participated in it.

8.8. In holding the second General shareholders' meeting less than 40 days after the failed General shareholders' meeting persons entitled to participate in the General shareholders' meeting are determined in accordance with the list of persons that were entitled to participate in the General shareholders' meeting.

8.9. Notification on holding the second General shareholders' meeting is sent in accordance with the law "On Joint-stock Companies" and other statutory legal acts of the Russian Federation, the Company Charter and this Regulation. Provisions pertaining to the deadline for notification about holding an extraordinary General shareholders' meeting the agenda of which includes an item on the election of the members of the Company's Board of Directors shall not be applied.

8.10. In determining the quorum, as well as in calculating the votes fractions of votes represented by fractional shares shall be summed up without rounding of numbers.

Article 9. Procedure of the General shareholders' meeting

9.1. Procedure of holding the General shareholders' meeting held in the meeting format shall include the following stages:

- Opening of the General shareholders' meeting;
- Discussion of procedural issues;
- Discussion of the agenda items and voting on the agenda items;
- Summing up the results of voting on the agenda items (unless the results of the voting are summed up after closing the General shareholders' meeting);
- Closure of the General shareholders' meeting.

9.2. The General shareholders' meeting shall be opened by the chairman of the General shareholders' meeting. The opening of the General shareholders' meeting shall include an announcement about the presence of the quorum, about the agenda and the procedure of the meeting.

9.3. If there are proposals to discuss procedural matters, as well as on the initiative of the chairman the General shareholders' meeting reviews and makes decisions on procedural matters.

9.4. Proposals on the resolution of procedural matters of holding the General shareholders' meeting shall be submitted in writing to the secretary of the General meeting before the commencement of the discussion of the agenda items.

A proposal on the resolution of procedural matters of holding the General shareholders' meeting shall contain the following information:

- The item for voting and the wording of the decision on the item;
- Family name, name, patronymic (denomination) of the member (members) of the General shareholders' meeting in whose name the proposal was made, indicating the number of the Company's voting shares belonging to him (them).

The proposal is to be signed by persons making it.

9.5. Persons owning in the aggregate at least two percent of the Company's voting shares and registered for participation in the General shareholders' meeting shall be entitled to make proposals on the resolution of procedural issues of holding the General shareholders' meeting.

9.6. Shareholders owning the Company's voting shares shall have the right to vote on procedural matters. The form of voting on procedural matters shall be determined by the chairman of the General shareholders' meeting.

9.7. The decision of the General shareholders' meeting on a procedural matter put to the vote shall be made by the majority of votes of the shareholders entitled to vote on procedural matters and participating in the General shareholders' meeting.

9.8. The items of the agenda shall be discussed in the order of their priority established by the announcement about holding the General shareholders' meeting.

The discussion of each agenda item shall include a report or a presentation on the agenda item, voting on the agenda item and can include a co-report on the agenda item, presentations and questions of the participants of the meeting, the speaker's (co-speaker's) answers to the questions of the participants of the meeting.

9.9. All the participants of the General shareholders' meeting shall be entitled to speak on an item of the agenda and to ask questions to the speaker (co-speaker) on the item of the agenda in accordance with the procedure and on the terms provided for by this Regulation and the decisions of the General shareholders' meeting on procedural matters.

One participant of the General shareholders' meeting cannot speak on one agenda item more than once.

9.10. In order to speak on the agenda item the participant of the General shareholders' meeting shall file an application to the secretary of the General shareholders' meeting, indicating:

- Family names, names and patronymics (denominations) of the participant of the meeting filing the application;
- The number of shares granting the right to vote on this agenda item belonging to the applicant;
- The agenda item on which the presentation is planned.

The application is to be signed by the person filing it.

The application is to be received by the secretary of the General shareholders' meeting before the end of the discussion of the agenda item on which a presentation is planned. Priority of the presentations is established in the order of receiving the applications.

9.11 Questions of the participants of the General shareholders' meeting on the agenda items shall be filed in writing to the secretary of the General meeting, indicating:

- Family names, names and patronymics (denominations) of the participant of the meeting filing the question;
- The number of shares granting the right to vote on this agenda item belonging to the person filing the question;
- The agenda item on which the question is filed.

The question is to be signed by the person filing it.

The question is to be received by the secretary of the General shareholders' meeting before the end of the discussion of the agenda item on which the question is filed.

9.12. Voting at the General shareholders' meeting is carried out based on the principle "one voting share of the Company – one vote", with the exception of cumulative voting when members of the Company's Board of Directors are elected.

9.13. The General shareholders' meeting cannot make decisions on items which are not included in its agenda or change the agenda.

9.14. Persons who registered themselves for participation in the General shareholders' meeting (their representatives) shall be allowed to vote on the meeting agenda items any time from their registration to the expiration of the time for voting determined in accordance with item 9.15. of this Article.

9.15. After the discussion of the last item of the agenda of the General shareholders' meeting is completed, additional 30 (thirty) minutes are allocated for voting on the items of the agenda of the General shareholders' meeting.

Article 10. Results of the General shareholders' meeting

10.1. Not later than 15 (fifteen) days after closing the General shareholders' meeting or the date of ballots acceptance termination in case of holding the General shareholders' meeting in the form of absentee voting the returning board (the Company registrar) shall draw up minutes on the results of the voting.

The minutes on the results of the voting shall include the following information:

- Full corporate name and location of the Company;
- Type of the meeting (annual or extraordinary);
- the form of holding the General shareholders' meeting (a meeting or absentee voting);
- date of the meeting;
- place of the General shareholders' meeting held in the meeting format (address of the place where the meeting was held);
- agenda of the meeting;
- time of the beginning and time of the termination of the registration of persons entitled to participate in the General shareholders' meeting held in the meeting format;
- the time of opening and the time of closing the General shareholders' meeting held in the meeting format, and, if the decisions made by the meeting and the results of voting thereon were read out at the meeting, as well as the time of the commencement of votes calculation;
- the number of votes owned by the persons included in the list of persons who were entitled to participate in the meeting on each item of the agenda of the meeting;
- the number of votes owned by the persons who participated in the meeting on each item of the agenda, indicating whether there was a quorum in each item;
- number of votes given for each of the variants of voting ("for", "against" and "refrained") on each item of the agenda on which there was a quorum;
- number of votes on each item of the agenda of the meeting put to the vote which were not calculated as the ballots (including the ballots pertaining to the voting on the relevant items) void;

- names of the members of the returning board, and, if the functions of the returning board were carried out by the registrar, - the registrar's full corporate name, location and the names of persons authorized by him;
- date of drawing up the minutes on the results of voting.

The minutes on the results of voting shall be signed by the members of the returning board, and, if the functions of the returning board were carried out by the Company registrar, - by persons authorized by the registrar.

If no returning board has been formed in the Company or the functions of the returning board are not carried out by the registrar, information to be set forth, under this Regulation, in the report of the returning board on the results of voting at the General shareholders' meeting, is set forth in the minutes of the shareholders' meeting.

The minutes on the results of voting are to be attached to the minutes of the General shareholders' meeting.

10.2. If the General shareholders' meeting is held in the form of absentee voting, and if the General shareholders' meeting is held in the format meeting, if the decisions adopted at the General shareholders' meeting and the voting results are not read out at the General shareholders' meeting, a report on the results of voting is drawn up in addition to the minutes on the results of the voting.

The minutes on the results of the voting at the General shareholders' meeting shall contain the following information:

- full corporate name and location of the Company;
- Type of the meeting (annual or extraordinary);
- the form of holding the General shareholders' meeting (a meeting or absentee voting);
- date of the meeting;
- place of the General shareholders' meeting held in the meeting format (address of the place where the meeting was held);
- the agenda of the meeting;
- the number of votes owned by the persons included in the list of persons who were entitled to participate in the meeting on each item of the agenda of the meeting;
- the number of votes owned by the persons who participated in the meeting on each item of the agenda of the meeting, indicating whether there was a quorum in each item;
- the number of votes given for each of the variants of voting ("for", "against" and "abstained") on each item of the agenda of the meeting on which there was a quorum;
- wording of the decisions made by the meeting on each item of the agenda of the meeting;
- names of the members of the returning board, and, if the functions of the returning board were carried out by the registrar, - the registrar's full corporate name, location and the names of persons authorized by him;
- the names of the chairman and the secretary of the meeting.

The report on the results of voting shall be signed by the chairman and the secretary of the General shareholders' meeting.

10.3. The decisions adopted by the General shareholders' meeting, as well as the results of voting shall be read out at the General shareholders' meeting at which the voting was carried out or are communicated not later than 10 days after the minutes on the results of voting in the form of a report on the results of voting to persons included in the list entitled to participate in

the General shareholders' meeting in accordance with the procedure specified for the notification about holding the General shareholders' meeting.

10.4. The minutes of the General meeting shall be drawn up not later than 15 days after closing the General meeting or the date of ballots acceptance termination, if the General meeting is held in the form of absentee voting. The minutes are drawn up in two copies, both copies are signed by the chairman and the secretary of the General meeting.

The minutes of the General shareholders' meeting should contain the following information:

- full corporate name and location of the Company;
- type of the meeting (annual or extraordinary);
- the form of holding the General shareholders' meeting (a meeting or absentee voting);
- date of the meeting;
- place of the General shareholders' meeting held in the meeting format (address of the place where the meeting was held);
- chairman and secretary of the meeting;
- the agenda of the meeting;
- time of the beginning and time of the termination of the registration of persons entitled to participate in the General shareholders' meeting held in the meeting format;
- the time of opening and the time of closing the General shareholders' meeting held in the meeting format, and, if the decisions made by the meeting and the results of voting thereon were read out at the meeting, as well as the time of the commencement of votes calculation;
- mail address (addresses) to which filled in ballots were sent in case of voting with ballots;
- total number of votes owned by the persons included in the list of persons entitled to participate in the General shareholders' meeting;
- main points of the presentations (reports, co-reports) and the names of persons who made presentations (speakers, co-speakers) on each item of the agenda of the General shareholders' meeting held in the meeting format;
- items put to the vote;
- the number of votes owned by the persons who participated in the meeting on each item of the agenda of the meeting, indicating whether there was a quorum in each item;
- the number of votes given for each of the variants of voting ("for", "against" and "refrained") on each item of the agenda of the meeting on which there was a quorum;
- wording of the decisions made by the meeting on each item of the agenda of the meeting;
- date of drawing up the minutes of the General shareholders' meeting;
- other information provided for by the current statutory legal acts of the Russian Federation.

Article 11. The Company's corporate secretary

All the items connected with supporting the preparation and holding of the General shareholders' meeting, summing up the results of voting and drawing up the minutes of the General shareholders' meeting in accordance with the laws of the Russian Federation, the

Company Charter, the Regulation on the Corporate secretary and other internal documents of the Company shall be dealt with by the Company's Corporate secretary.

Article 12. Final provisions

12.1. The requirements of this regulation shall be binding on the Company, its shareholders, members of the Board of Directors, the Company's General Director other officers and employees of the Company.

12.2. If this Regulation and the Company Charter do not contain rules regulating certain issues of the activities of the General shareholders' meeting, one should be guided by the current legislation of the Russian Federation, decisions of the General shareholders' meeting and the Company's Board of Directors made within the scope of their competence and other internal documents of the Company.