

**Information on agenda item № 8 of the Annual General Shareholders' Meeting of "UTK" PJSC  
Draft amendments and additions to the Statute on the Board of Directors of "Southern Telecommunications  
Company" PJSC**

1) Sub-item 3.1.1 of item 3.1 of Article 3 shall be stated as follows:

«3.1.1. to require in written form both available to the general public and insider information (documents) from the Company's officials in accordance with the procedure set by the Company's by-laws;»;

2) sub-item 3.1.2 of item 3.1 of Article 3 shall be stated as follows:

«3.1.2. to get compensation of expenses related to execution of their functions as members of the Board of Directors in accordance with the procedure set herein.

If the current legislation of the Russian Federation does not impose a ban on their participation in the governing body of a commercial organization on a paid basis, to get remuneration for execution of their functions of members of the Board of Directors in accordance with the procedure set herein, or to exercise their functions of members of the Board of Directors on a gratis basis;»;

3) item 3.2.5 of Article 3 shall be stated as follows:

«3.2.5. Members of the Board of Directors are obliged to initiate meetings of the Board of Directors for considering urgent matters and have the right to include additional items into the agenda of these meetings;»;

4) sub-item 3.2.11 of item 3.2 of Article 3 shall be considered item 3.2.10, the following items 3.2.11, 3.2.12 shall be added to Article 3:

«3.2.10. to notify the Board of Directors in writing of the fact of ownership of the Company's securities, of their intention to enter into transactions with the securities of the Company or its subsidiaries and affiliates as well as of the effected transactions with such securities.

3.2.11. to notify the Company in writing of the fact that the current legislation of the Russian Federation imposes (lifts) a ban on their participation in the governing body of a commercial organization on a paid basis;

3.2.12. to notify the Company in writing of their intention to exercise the functions of members of the Board of Directors on a gratis basis.»;

5) item 3.4 of Article 3 shall be stated as follows:

«3.4. At the written request of a member of the Board of Directors the Company shall be obliged to provide him an unlimited access to information (documents) mentioned in sub-item 3.1.1. hereof.

The required information and documents shall be presented for familiarization to a member of the Board of Directors within five days after filing the corresponding request, provided other period is not prescribed by the Company's internal documents regulating the procedure for giving such information (documents).

At the request of a member of the Board of Directors the Company shall be obliged to give him the copies of all required documents.»;

6) item 6.3 of Article 6 shall be stated as follows:

«6.3. Meeting of the Board of Directors shall be convened by the Chairman of the Board of Directors on his own initiative, upon the request of a member of the Board of Directors, the Auditing Commission, the Company's Auditor, individual or collegiate executive body as well as by request of a shareholder (shareholders) owning in the aggregate 5 (five) or more percent of the Company's voting shares.

The agenda of a meeting shall be determined by the Chairman of the Board of Directors taking into consideration the approved Plan of work of the Board of Directors and the received requests of the persons listed in the first paragraph herein.»;

7) item 6.5 of Article 6 shall be stated as follows:

«6.5. Notice of the Board of Directors' meeting shall be sent to each member of the Board of Directors together with all necessary materials not later than 14 business days prior to the date of the meeting.

The above time limits can be reduced if it is necessary to urgently resolve any matters, provided none of the members of the Board of Directors objects. Should, in accordance with the current legislation, the meeting of the Board of Directors be convened within a tighter time schedule, the time period for sending notification and all necessary materials shall be shortened.

Notice of the meeting of the Board of Directors shall be forwarded to the members of the Board of Directors in written form or in other suitable for them form (including by post, cable, telex, telephone, e-mail or other). Notice of the meeting of the Board of Directors shall contain information specified in sub-items 6.4.3.-6.4.8. herein and the address, at which the members of the Board of Directors can send their written opinions.

The bodies and persons entitled to request convening of a session of the Board of Directors may include additional items into the agenda of the session, provided none of the members of the Board of Directors objects. The proposal to include an additional item into the agenda of the meeting to be held shall be submitted in written form and shall contain the wording of such agenda item as well as the information specified in sub-items 6.4.1, 6.4.2, 6.4.6 hereof.

The bodies and persons, at whose request the meeting is convened (the additional item is included into the agenda of the meeting), are entitled to withdraw in writing their proposal at any time till the moment of summing up voting results on the proposed agenda items.

Should the circumstances arise making it impossible or difficult to hold the meetings of the Board of Directors in place and (or) in time, of which the members of the Board of Directors have been notified, the meeting with the planned agenda shall be held in a different place and (or) at a different time.

All members of the Board of Directors shall be informed about the changes in the venue and (or) time of the meeting of the Board of Directors taking into account the time that is normally required for the members of the Board of Directors to arrive at the meeting. Notification of the said changes shall be sent to the members of the Board of

Directors in any form guaranteeing that a member of the Board of Directors will receive the notification at his place of business or at the address to which he receives his mail.

All members of the Board of Directors shall be informed about the changes in the agenda of the meeting in order established for notification on the meeting.

The first (organizational) meeting of the Board of Directors shall be held without prior notification on the date of the General Shareholders' Meeting at which the Board of Directors has been elected (if the resolution on the election of the members of the Board of Directors as well as the voting results on it have been announced at the General Meeting of the Shareholders, in the course of which the voting was held).

8) item 6.8 Article 6 shall be stated as follows:

«6.8. The Chairman of the meeting held in the form of personal attendance shall be obliged to read out the written opinion of a member of the Board of Directors not attending the meeting of the Board of Directors prior to voting on the agenda item on which this opinion has been presented.

Should the submitted written opinion (of a member of the Board of Directors not attending the meeting of the Board of Directors held in the form of personal attendance as well as at absentee voting) contain a proposal of the draft resolution differing substantially from that initially put to the vote, each member of the Board of Directors shall express his/her opinion on it by voting before drawing-up the minutes of the meeting.»;

9) item 6.11 of Article 6 shall be stated as follows:

«6.11. Minutes shall be kept at the meeting of the Board of Directors. The Minutes of the Board of Directors shall be drawn up no later than 3 (three) days after holding the meeting in the form of personal attendance (the deadline for receiving written opinions in case of absentee voting).

The Minutes of the meeting shall include:

- Names of the persons attending the meeting (if the meeting is held in the form of personal attendance);
- Names of the persons who submitted their written opinions on the agenda issues;
- Agenda of the meeting;
- Draft resolutions on the agenda items put to voting and voting results;
- Adopted resolutions.

The Minutes of the Board of Directors meeting shall be signed by the Chairman of the meeting and the Corporate Secretary of the Company.

Copies of the signed Minutes shall be sent to all members of the Board of Directors within three days after the date of signature. »;

10) item 7.1 of Article 7 shall be stated as follows:

«7.1. The Company shall bear expenses associated with the work of the Board of Directors. Among other the Company shall compensate documented expenses incurred by the members of the Board of Directors in connection with discharge of their duties.

Member of the Company's Board of Directors working on a paid basis shall receive remuneration for performing his/her duties as well as bonuses specified in item 7.7 hereof. »

11) item 7.2 of Article 7 shall be stated as follows:

«7.2. Remuneration to a member of the Board of Directors shall comprise quarterly and annual remunerations.»;

12) item 7.3 of Article 7 shall be stated as follows:

«7.3. Quarterly remuneration to each member of the Board of Directors shall be established in the amount of 200,000 rubles.

Remuneration to the Chairman of the Board of Directors shall be set with a raising coefficient 1.5.

Quarterly remuneration to a member of the Board of Directors shall be cut down by:

30 percent – in case of his attendance at less than a half of the Board of Directors meetings held in the form of personal attendance;

100 percent – in case of his participation in less than a half of all Board of Directors meetings being held.

If the personal structure of the Board of Directors and-or the conditions of performing the duties by a member of the Board of Directors (paid / gratis basis) have changed during the quarter, quarterly remuneration shall be calculated and paid in proportion to the hours worked by the member of the Board of Directors on a paid basis.»;

13) item 7.4 of Article 7 shall be stated as follows:

«7.4. The annual remuneration for the entire body of the Board of Directors of the Company shall be rated as a sum total of deductions according to standards (percentage):

from the Company's EBITDA for the reported year based on the Company's financial statements for the reported year compiled in accordance with IFRS ;

from the Company's net profit allocated to dividend payment based on the financial results of the reporting year; Annual remuneration for one member of the Board of Directors shall be determined as the amount calculated according to paragraphs 1 - 3 herein divided by the number of persons elected to the Board of Directors.

If the personal structure of the Board of Directors and-or the conditions of performing the duties by a member of the Board of Directors (paid / gratis basis) have changed during the period from election of the Board of Directors by the Annual General Shareholders' Meeting till the next Annual General Shareholders' Meeting, annual remuneration shall be calculated and paid in proportion to the hours worked by the member of the Board of Directors on a paid basis.»;

The annual remuneration to a member of the Board of Directors calculated according to the fourth and fifth paragraphs herein shall be reduced by 50 percent, should he/she attend less than a half of the Board of Directors meetings held during his/her term of office.»;

14) item 7.5 of Article 7 shall be stated as follows:

«7.5. The standard (percentage) of deductions for calculation of the annual remuneration shall be determined by the resolution of the Annual General Shareholders' Meeting and used for calculation of the remuneration amount to be paid to the persons performing the duties of the members of the Board of Directors till the next Annual General Shareholders' Meeting.»;

15) The following item 7.9 shall be added to Article 7:

«7.9. Members of the Board of Directors shall have the right to participate in option programs realized by the Company.».

Board of Directors