

AMENDMENTS TO THE REGULATION ON CENTERTELECOM BOARD OF DIRECTORS

(including all suggestions)

Section of the Regulation	Present Edition	Suggested Edition	Comments
Article 3, clause 3.1, sub-clause 3.1.1	3.1.1. Demand that Company officers provide any information on Company activities as well as documents referred to in Article 89 of the Federal Law "On Joint-Stock Companies" in accordance with the procedures set out herein;	3.1.1. Refer to the Company with written demands for the provision of information (documents) pertaining to Company affairs, notwithstanding such information is in the public domain or is considered by the Company insider information, in accordance with the procedures set out in the Company internal documents.	<i>The suggestion of the Corporate Governance Committee</i>
Article 3, clause 3.1, sub-clause 3.1.2	3.1.2. Be remunerated with a fee for performing his/her duties and be reimbursed for expenses incurred in connection with the performance of such duties as a member of the Company Board of Directors in cases and in the amount as provided for herein;	3.1.2. Be reimbursed for expenses incurred in connection with the performance of the duties as a member of the Company Board of Directors in accordance with the procedures provided for herein; Absent any prohibition on his/her participation for a fee in activities of a commercial organization executive body imposed by the effective legislation of the Russian Federation, be remunerated with a fee for performing his/her duties as a member of the Company Board of Directors in accordance with the procedures set out herein, or perform the functions of a member of the Board of Directors on a grant basis;	<i>The suggestion of the Corporate Governance Committee</i>
Article 3, clause 3.2.5	3.2.5. Initiate meetings of the Board of Directors for passing resolutions on urgent issues;	3.2.5. Initiate meetings of the Board of Directors for passing resolutions on urgent issues, and the right to enter additional issues in the agenda of the appointed meeting;	<i>The suggestion of Lindsell and Hand</i>

<p>Article 3, clause 3.2.11, sub- clause 3.2.12</p>	<p>absent</p>	<p>3.2.11. Notify the Company in writing of imposition (release) of a prohibition on its participation for a fee in activities of a commercial organization executive body in accordance with the effective legislation of the Russian Federation,; 3.2.12. In the event that he/she intends to perform his/her duties as a member of the Board of Directors on a grant basis notify the Company of same in writing.</p>	<p><i>The suggestion of the Corporate Governance Committee</i></p>
<p>Article 3, clause 3.4</p>	<p>3.4. The Company shall on request of a member of the Company Board of Directors, whether oral or written, afford to such member access to the information and documents referred to in clause 3.1.1 hereof. The information and documents requested shall be provided to the member of the Board of Directors for examination within five days as from the date of the request. The Company shall on request of a member of the Company Board of Directors, provide the latter with copies of the required documents.</p>	<p>3.4. The Company shall on a written request of a member of the Company Board of Directors, afford to such member access to the information (documents) referred to in clause 3.1.1 hereof. The information and documents requested shall be provided to the member of the Board of Directors for examination within five days as from the date of the request, unless another period is contemplated by Company internal documents regulating the procedures of furnishing information (documents). The Company shall on request of a member of the Company Board of Directors, provide the latter with copies of the required documents.</p>	<p><i>The suggestion of the Corporate Governance Committee</i></p>
<p>Article 6, clause 6.3</p>	<p>6.3. Meetings of the Board of Directors shall be convened by Chairman of the Board of Directors on his/her own initiative, on request of a member of the Company Board of Directors, Audit Commission, Company Auditor, Company sole or collegial executive body, as well as on request of shareholders (a shareholder) collectively holding at least 5 per cent of the Company voting stock.</p>	<p>6.3. Meetings of the Board of Directors shall be convened by Chairman of the Board of Directors on His/her own initiative, on request of a member of the Company Board of Directors, Audit Commission, Company Auditor, Company sole or collegial executive body, as well as on request of shareholders (a shareholder) collectively holding at least 5 per cent of the Company voting stock. The agenda of the convened meeting shall be formulated by Chairman of the Board of Directors in consideration of the approved</p>	<p><i>The suggestion of the Corporate Governance Committee</i></p>

		<p>activity plan of the Board of Directors and the requests of persons listed in paragraph one of this clause.</p>	
<p>Article 6, clause 6.5</p>	<p>6.5. The notice convening a meeting of the Board of Directors shall be sent to each Board member together with necessary materials at least 14 business days prior to the date of the meeting.</p> <p>The notice convening a meeting of the Board of Directors shall be delivered to Board members in writing in the agreed upon form (in particular, by means of mail, cable, facsimile and electronic communication).</p> <p>If in accordance with the effective legislation a meeting of the Board of Directors shall be arranged within a shorter period the term of the notice to be delivered together with necessary materials shall be reduced.</p> <p>All above referred terms may also be reduced in the event that an urgent resolution is required on any issue, provided that none of the Board members have any objections.</p> <p>An objection shall mean an opinion of a member of the Board of Directors delivered to the Company in writing with the use of one of the methods provided for in this clause with regard to sending a meeting convening notice before close of the business day following the date of sending to Board members a suggestion for consideration of certain issues within a reduced term.</p> <p>The notice convening a meeting shall contain information referred to in sub-clauses 6.4.3 to 6.4.8 hereof, as well as the reference to the address at which Board members may refer their written opinion.</p>	<p>6.5. The notice convening a meeting of the Board of Directors shall be sent to each Board member together with necessary materials at least 14 business days prior to the meeting.</p> <p>The above term may be reduced in the event that an urgent resolution is required on any issue, provided that none of the Board members have any objections.</p> <p>If in accordance with the effective legislation a meeting of the Board of Directors shall be arranged within a shorter period the term of the notice to be delivered together with necessary materials shall be reduced.</p> <p>The notice convening a meeting of the Board of Directors shall be delivered to Board members in writing or with the use of any other method convenient to the latter (in particular, by means of mail, cable, teletype, telephone, electronic or other type of communication).</p> <p>The notice convening a meeting shall contain information referred to in sub-clauses 6.4.3 to 6.4.8 hereof, as well as the reference to the address at which Board members may refer their written opinion.</p> <p>On the initiative of bodies and persons entitled to request convening a meeting of the Board of Directors additional issues may be entered by Board Chairman in the agenda of the convened meeting, provided that none of the Board members have any objections. The suggestion for inclusion of an additional issue in the agenda of the convened meeting shall be submitted in writing and shall contain the</p>	<p><i>The suggestion of the Corporate Governance Committee and Red Hand</i></p>

	<p>In case of any circumstances rendering impossible or hindering the holding of a meeting of the Board of Directors in the venue and (or) at the time of which Board members were notified, the meeting on the planned agenda may be held in another place and (or) at other time.</p> <p>All members of the Board of Directors shall be notified of the changes to the place and (or) time of the Board meeting reasonably in advance of the meeting in order to ensure their timely arrival. The notice of the said changes shall be sent to Board members in any form which may guarantee receipt of the notice by a Board member at his/her residential or accommodation address.</p> <p>No convening notice is provided for the first (constitutive) meeting of the Board of Directors to be held on the date of the general shareholders' meeting electing the Board of Directors (in the event that the decision on the Board election issue as well as voting results on such issue were announced at the general shareholders' meeting at which the voting was conducted).</p>	<p>wording of such an issue as well as the information referred to in sub-clauses 6.4.1, 6.4.2, and 6.4.6 hereof.</p> <p>The bodies and persons initiating the convention of a meeting (inclusion of an issue in the meeting agenda) shall be entitled to recall their suggestion at any time prior to summarizing the results of the respective vote.</p> <p>In case of any circumstances rendering impossible or hindering the holding of a meeting of the Board of Directors in the venue and (or) at the time of which Board members were notified, the meeting on the planned agenda may be held in another place and (or) at other time.</p> <p>All members of the Board of Directors shall be notified of the changes to the place and (or) time of the Board meeting reasonably in advance of the meeting in order to ensure their timely arrival. The notice of the said changes shall be sent to Board members in any form which may guarantee receipt of the notice by a Board member at his/her residential or correspondence accommodation address.</p> <p>All members of the Board of Directors shall be notified of any changes to the agenda of the meeting in accordance with the procedures established for notifying of meeting convention.</p> <p>No convening notice is provided for the first (constitutive) meeting of the Board of Directors to be held on the date of the general shareholders' meeting electing the Board of Directors (in the event that the decision on the Board election issue as well as voting results on such issue were announced at the general</p>	
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		shareholders' meeting at which the voting was conducted).	
Article 6, clause 6.5, paragraphs 1 and 2	<p>6.5. The notice convening a meeting of the Board of Directors shall be sent to each Board member together with necessary materials at least 14 business days prior to the date of the meeting.</p> <p>The notice convening a meeting shall be delivered to members of the Board of Directors in writing with the use of an agreed upon method (in particular, with the use mail, cable, facsimile, or electronic communication).</p>	<p>6.5. The notice convening a meeting of the Board of Directors shall be sent to each Board member together with necessary materials at least 14 business days prior to the date of the meeting.</p> <p>The notice convening a meeting shall be delivered to members of the Board of Directors in writing with the use of an agreed upon method (in particular, with the use mail, cable, facsimile, or electronic communication).</p> <p>Necessary materials pertaining to the meeting of the Board of Directors shall be sent at least 10 business days prior to the date of the meeting.</p> <p>Each member of the Board of Directors shall have the right to refer to the Company Corporate Secretary within 4 days after receipt of the notice convening the Board meeting a suggestion for consideration of an additional issue together with a draft resolution on the same. Chairman of the Board of Directors shall upon receipt of such a suggestion enter it in the agenda of the planned meeting of the Board of Directors.</p>	<i>The suggestion of Lindsell</i>
Article 6, clause 6.8	<p>6.8. Chairman shall prior to voting on a respective agenda issue announce a written opinion of a members of the Board of Directors absent at the Board meeting.</p> <p>If the received written opinion contains a suggested draft resolution which differs considerably from the original resolution suggested for vote, the Secretary of the Board of Directors shall prior to taking minutes of the meeting familiarize other Board members with</p>	<p>6.8. Chairman shall prior to voting on a respective agenda issue announce a written opinion of a members of the Board of Directors absent at the Board meeting.</p> <p>If the received written opinion (including any opinion received in absentia during the meeting of the Board of Directors) contains a suggested draft resolution which differs considerably from the original resolution suggested for vote, the Secretary of the Board of Directors shall prior to</p>	<i>The suggestion of Lindsell</i>

	the said opinion and propose to make known their opinion on the same, expressed through vote, in writing or in any other convenient form (in particular, with the use of mail, cable, teletype, telephone, electronic or other type of communication).	taking minutes of the meeting familiarize other Board members with the said opinion and propose to make known their opinion on the same, expressed through vote, in writing or in any other convenient form (in particular, with the use of mail, cable, teletype, telephone, electronic or other type of communication).	
Article 6, clause 6.8	6.8. Chairman shall prior to voting on a respective agenda issue announce a written opinion of a members of the Board of Directors absent at the Board meeting. If the received written opinion contains a suggested draft resolution which differs considerably from the original resolution suggested for voting, the Secretary of the Board of Directors shall prior to taking minutes of the meeting familiarize other Board members with the said opinion and propose to make known their opinion on the same, expressed through vote, in writing or in any other convenient form (in particular, with the use of mail, cable, teletype, telephone, electronic or other type of communication).	6.8. At a meeting held in the presence of the directors, Chairman shall prior to voting on a respective agenda issue announce a written opinion of a members of the Board of Directors absent at the Board meeting. If the received written opinion (of the Board member absent at the meeting held in the presence of the directors, as well as during an absentee vote) contains a suggested draft resolution which differs considerably from the original resolution suggested for voting, each Board member shall prior to taking minutes of the meeting deliver its opinion on such draft resolution to be expressed through vote.	<i>The suggestion of the Corporate Governance Committee and Red Hand</i>
Article 6, clause 6.11, paragraphs 1,2,3,4	6.11. Minutes shall be kept of every meeting of the Board of Directors. Minutes of the meeting of the Board of Directors shall be taken within 3 days after the date of the meeting held in the presence of the directors (deadline for receipt of written opinions in case of an absentee vote). The minutes shall reflect the following details: • the place and time of the meeting held in the presence of the directors, or, in case of an absentee vote, the place of minutes taking, and the deadline for receipt of written opinions of	6.11. Minutes shall be kept of every meeting of the Board of Directors. Minutes of the meeting of the Board of Directors shall be taken within 3 days after the date of the meeting held in the presence of the directors (deadline for receipt of written opinions in case of an absentee vote). The minutes shall reflect the following details: • the place and time of the meeting held in the presence of the directors, or, in case of an absentee vote, the place of minutes taking, and the deadline for receipt of written opinions of	<i>The suggestion of Lindsell</i>

	<p>members of the Board of Directors;</p> <ul style="list-style-type: none"> • persons present at the meeting (in case of holding the meeting in the presence of the directors); • persons having submitted written opinions on agenda issues; • agenda of the meeting; • issues put to vote and the vote results; • resolution passed. <p>The minutes of the Board of Directors shall be signed by meeting Chairman and the Company Corporate Secretary.</p>	<p>members of the Board of Directors;</p> <ul style="list-style-type: none"> • persons present at the meeting (in case of holding the meeting in the presence of the directors); • persons having submitted written opinions on agenda issues; • agenda of the meeting; • draft resolutions on agenda issues put to vote and the vote results; • resolution passed. • special opinions expressed by members of the Board of Directors. <p>The minutes of the Board of Directors shall be signed by meeting Chairman and the Company Corporate Secretary</p> <p>The signed minutes shall within 3 days be sent to all members of the Board of Directors.</p>	
<p>Article 6, clause 6.11</p>	<p>6.11. Minutes shall be kept of every meeting of the Board of Directors.</p> <p>Minutes of the meeting of the Board of Directors shall be taken within 3 days after the date of the meeting held in the presence of the directors (deadline for receipt of written opinions in case of an absentee vote).</p> <p>The minutes shall reflect the following details:</p> <ul style="list-style-type: none"> • the place and time of the meeting held in the presence of the directors, or, in case of an absentee vote, the place of minutes taking, and the deadline for receipt of written opinions of members of the Board of Directors; • persons present at the meeting (in case of holding the meeting in the presence of the directors); • persons having submitted written opinions on agenda issues; • agenda of the meeting; 	<p>6.11. Minutes shall be kept of every meeting of the Board of Directors. Minutes of the meeting of the Board of Directors shall be taken within 3 days after the date of the meeting held in the presence of the directors (deadline for receipt of written opinions in case of an absentee vote).</p> <p>The minutes shall reflect the following details:</p> <ul style="list-style-type: none"> • the place and time of the meeting held in the presence of the directors • the place and time of the meeting held in the presence of the directors, and the deadline for receipt of written opinions of members of the Board of Directors; • persons present at the meeting (in case of holding the meeting in the presence of the directors); • persons having submitted written opinions on agenda issues; • agenda of the meeting; 	<p><i>The suggestion of Red Hand</i></p>

	<ul style="list-style-type: none"> • issues put to vote and the vote results; • resolution passed. <p>The minutes of the Board of Directors shall be signed by meeting Chairman and the Company Corporate Secretary.</p>	<ul style="list-style-type: none"> • draft resolutions on agenda issues put to vote and the vote results; • resolution passed. • special opinions expressed by members of the Board of Directors (in case of any request submitted by a members of the Board of Directors in accordance with sub-clause 3.1.3 hereof). <p>The minutes of the Board of Directors shall be signed by meeting Chairman and the Company Corporate Secretary Copies of the signed minutes shall within 3 days after the signature date be sent to all members of the Board of Directors.</p>	
Article 7, clause 7.1	7.1. Members of the Board of Directors shall be remunerated with a fee for the duration of their performance of the respective duties and reimbursed for their expenses incurred in connection with the performance of their duties as Board members.	7.1. The Company shall bear expenses connected with the activities of the Board of Directors, including reimbursement of the Board members for all documented expenses incurred in connection with the performance of their duties as Board members. A remuneration shall be calculated and paid to a member of the Company Board of Directors performing his/her duties for a fee for performance of such duties, together with a premium to the remuneration contemplated by clause 7.7 of this Article.	<i>The suggestion of the Corporate Governance Committee</i>
Article 7, clause 7.2	7.2. A remuneration due to members of the Board of Directors shall consist of a quarterly and annual remuneration fees.	7.2. A remuneration due to a member of the Board of Directors shall consist of a quarterly and annual remuneration fees.	<i>The suggestion of the Corporate Governance Committee</i>
Article 7, clause 7.3	7.3. A quarterly fee due to each member of the Board of Directors shall be equal to 200,000 RUR. A remuneration due to Chairman of the Board of Directors shall be increased by the ratio of 1.5. A quarterly fee due to a member of the Board	7.3. A quarterly fee due to a member of the Board of Directors shall be equal to 200,000 RUR. A remuneration due to Chairman of the Board of Directors shall be increased by the ratio of 1.5. A quarterly fee due to a member of the Board of Directors shall be reduced by: 30% - in case of his/her presence at less than	<i>The suggestion of the Corporate Governance Committee</i>

	<p>of Directors shall be reduced by: 30% - in case of his/her presence at less than half of the meetings of the Board of Directors held in the presence of the directors; 100% - in case of his/her presence at less than half of all the meetings of the Board of Directors held.</p> <p>A remuneration due to a member of the Board of Directors for the quarter in which reelection of the Board of Directors took place shall be paid pro rata to the actual working period during such quarter.</p>	<p>half of the meetings of the Board of Directors held in the presence of the directors; 100% - in case of his/her presence at less than half of all the meetings of the Board of Directors held.</p> <p>If during a quarter any changes occurred with respect to the personal composition of the Board of Directors and/or the conditions on which Board members performed their duties (for a fee or on a grant basis), the remuneration shall be calculated and paid pro rata to the duration of the period in which the Board member was performing his/her duties for a fee.</p>	
<p>Article 7, clause 7.4</p>	<p>7.4. An annual fee for all members of the Company Board of Directors shall be calculated as a sum of deductions made in accordance with the ratios (percentages) from:</p> <ul style="list-style-type: none"> - Company EBITDA in accordance with financial statements for the reporting year prepared as per IFRS requirements; - Company net profit as of the end of the reporting year earmarked for payment of dividends. <p>An annual remuneration shall be divided between all members of the Board of Directors in equal shares.</p> <p>An annual remuneration due to a member of the Board of Directors shall be reduced by 50% in case of his/her presence at less than Half of all meetings held during the period of his/her performance of the duties as a Board member.</p>	<p>7.4. An annual fee for all members of the Company Board of Directors shall be calculated as a sum of deductions made in accordance with the ratios (percentages) from:</p> <ul style="list-style-type: none"> - Company EBITDA in accordance with financial statements for the reporting year prepared as per IFRS requirements; - Company net profit as of the end of the reporting year earmarked for payment of dividends. <p>An annual remuneration due to one member of the Board of Directors shall be determined as a value calculated in accordance with the provisions of paragraphs 1 though 3 of this clause divided by the number of persons elected to the Board of Directors.</p> <p>If during the period from the election of Board of Directors by the annual general shareholders' meeting till the next annual general shareholders' meeting any changes to the personal composition of the Board of Directors and/or the conditions on which</p>	<p><i>The suggestion of the Corporate Governance Committee</i></p>

		<p>members of the Board of Directors performed their duties (for a fee or on a grant basis) occurred, the remuneration shall be calculated and paid pro rata to the duration of the period in which Board members performed their duties for a fee.</p> <p>An annual remuneration due to a members of the Board of Directors, calculated in accordance with the provisions of paragraphs 4 and 5 of this clause, shall be reduced by 50% in case of his/her presence at less than Half of all meetings held during the period of his/her performance of the duties as a Board member.</p>	
Article 7, clause 7.5	7.5. Ratios (percentages) of deductions for calculation of an annual remuneration amount shall be determined by the decision of the general shareholders' meeting electing the given Board of Directors.	7.5. Ratios (percentages) of deductions for calculation of an annual remuneration amount shall be established by the decision of the annual general shareholders' meeting and shall be applied for the determination of the remuneration amount for persons performing duties of Board members up to the next annual general shareholders' meeting.	<i>The suggestion of the Corporate Governance Committee</i>