

APPROVED
4 October 2010
by Resolution of the General Meeting of
Shareholders
of MOSTOTREST OJSC

Minutes 23 dated 5 October 2010

REGULATIONS
on the Sole Executive Body
of MOSTOTREST Open Joint Stock Company

Moscow
2010

Article 1. General provisions

- 1.1. These Regulations on the Sole Executive Body (hereinafter referred to as "the Regulations") have been developed in accordance with the Federal Law "On Joint Stock Companies", other regulatory acts of the Russian Federation, the Articles of Association of MOSTOTREST Open Joint Stock Company (hereinafter referred to as "the Company"), and the Company's corporate documents regulating the activities of its bodies.
- 1.2. The Company's operating performance shall be managed by the Sole Executive Body – the General Director of the Company.
- 1.3. The Sole Executive Body shall aim to raise the Company's profits and competitiveness, improve its financial and economic stability, and ensure the rights of its shareholders and social guarantees for its personnel.
- 1.4. By resolution of the General Meeting of Shareholders, the powers of the Sole Executive Body may be passed, under an agreement, to a commercial organisation (management organisation) or an individual entrepreneur (manager). A resolution to transfer the powers of the Sole Executive Body to a management organisation or manager may only be passed by the General Meeting of Shareholders on the initiative of the Board of Directors.
- 1.5. If the powers of the Sole Executive Body are passed to a management organisation (manager) under an agreement, the provisions of these Regulations applicable to the General Director shall also apply in full to the said management organisation (manager) or Acting General Director in the event of his/her temporary absence, vacation, business trip, etc.

Article 2. Formation (election) of the Sole Executive Body. Early termination of its powers.

- 2.1. The Company's executive bodies shall be created and their powers terminated early in accordance with a relevant resolution of the Board of Directors, except for cases envisaged by the federal legislation and the Company's Articles of Association.
- 2.2. The General Director shall be elected by a three-quarters vote by the elected members of the Board of Directors.
- 2.3. When nominating a candidate for the Sole Executive Body, the Board of Directors of the Company shall be provided with the following information about the candidate:
 - full name of the candidate;
 - date and place of birth;
 - information on the candidate's education, profession and qualifications;
 - position held in his/her primary employment as of the date the proposal on nominating the candidate is submitted, information about membership of governing and controlling bodies of other legal entities;
 - the candidate's work over the last 5 years, including positions held;
 - the candidate's affiliated persons (including full name, corporate name and grounds for affiliation);
 - restrictions (bans) in accordance with legal acts and/or court rulings to hold positions on governing bodies of commercial organisations and/or pursue certain activities;
 - information on whether the candidate owns, independently or jointly with his/her affiliated person (persons), 20 or more per cent of the voting shares in legal entities;
 - the candidate's postal address and telephone number.These materials shall be accompanied by a draft of the proposed agreement to be signed with the candidate, the candidate's written consent to nomination and confirmation of the accuracy and completeness of the said information about him/her, as well as his/her agreement with the terms of the proposed agreement.
- 2.4. In the event of the powers of the Sole Executive Body being transferred to a

management organisation (manager) under an agreement, the Board of Directors shall be provided with the following information on the organisation (candidate):

- full corporate name (full name);
- information on the date and place of state registration of the management organisation (candidate);
- information on the founders of the organisation;
- information on the shareholders in the organisation;
- general information on the organisation's activities over the last two years;
- affiliated persons of the organisation (candidate) (including full name, corporate name, grounds for affiliation to the organisation (candidate));
- information about whether the organisation (candidate) owns, independently or jointly with his/her affiliated person (persons), 20 or more per cent of the voting shares in legal entities;
- contact telephone, fax and actual address.

Among other things, the proposal to nominate a candidate for manager shall also contain information as to whether the candidate holds a state registration certificate as an individual entrepreneur.

These materials shall be accompanied by a draft of the proposed agreement to be signed with the organisation (candidate), the organisation (candidate)'s written consent to nomination and confirmation by the organisation (candidate) of the accuracy and completeness of the said information, as well as agreement with the terms of the proposed agreement.

- 2.5. The terms of the agreement, including those regarding the term of office for the Sole Executive Body, shall be determined by the Board of Directors. On behalf of the Company, the Agreement shall be signed by the Chairperson of the Board of Directors or a person authorised by the Board of Directors.
- 2.6. The General Director requires the consent of the Board of Directors to hold positions on governing bodies of other companies, as well as other paid positions in other organisations.
- 2.7. The Board of Directors may, at any time, resolve to terminate the powers of the General Director and set up new executive bodies.
The powers of the General Director may be terminated on the grounds specified by the legislation of the Russian Federation or the agreement between him/her and the Company.
- 2.8. The General Meeting of Shareholders may, at any time, resolve to terminate the powers of the management organisation (manager).
The Board of Directors may also resolve to suspend the powers of the management organisation or manager. When passing such a resolution, the Board of Directors shall also pass a resolution appointing an Acting General Director and convening an Extraordinary General Meeting of Shareholders to discuss early termination of the powers of the management organisation (manager), and, unless otherwise resolved by the Board of Directors, on passing the powers of the Sole Executive Body to another management organisation (manager).
- 2.9. If the management organisation (manager) is unable to perform its obligations, the Board of Directors may pass a resolution appointing an Acting General Director and on convening an Extraordinary General Meeting of Shareholders to discuss early termination of the powers of the management organisation (manager) and, unless otherwise resolved by the Board of Directors, on passing the powers of the Sole Executive Body to another management organisation or manager.
- 2.10. The Acting General Director shall oversee the Company's operations within the terms of reference of the General Director, unless otherwise resolved by the Board of Directors.

Article 3. Terms of reference of the Sole Executive Body

- 3.1. The terms of reference of the Sole Executive Body include all matters relating to the Company's operations, except for issues falling within the exclusive terms of reference of the General Meeting of Shareholders and the Board of Directors.
The Sole Executive Body shall organise fulfilment of the resolutions of the General Meeting of Shareholders and the Board of Directors.
- 3.2. The Sole Executive Body shall act on the Company's behalf without power of attorney, representing its interests and making transactions on behalf of the Company, issuing decrees and giving instructions binding on all Company employees.
- 3.3. The Sole Executive Body shall:
 - develop long-term plans covering key areas of the Company's activities and submit them to the Board of Directors, and also ensure fulfilment of the approved plans;
 - draft the Company's business plans (adjusted business plans), budget and investment programme, and also prepare reports on their implementation;
 - develop programmes on the Company's technical modernisation, reconstruction and development;
 - approve quarterly and monthly financial plans of the Company, as well as reports on their implementation;
 - develop the Company's annual procurement programmes and approve quarterly procurement programmes as part of the annual programmes, and also prepare reports on implementation of the annual and quarterly procurement programmes;
 - prepare reports on the Company's activities, on fulfilment of resolutions of the General Meeting of Shareholders and the Board of Directors;
 - approve measures for training and retraining of Company personnel;
 - establish social benefits and guarantees for Company employees;
 - organise the Company's accounting record keeping and reporting;
 - dispose of Company property, make transactions on behalf of the Company, issue powers of attorney, open settlement and other accounts for the Company with banks and other credit institutions (in cases envisaged by law, and professional security market trading organisations);
 - issue decrees, approve (pass) instructions, bylaws and other internal documents of the Company on matters within his/her terms of reference, and give instructions binding on all Company employees;
 - develop and approve (correct) Key Performance Indicator (KPI) targets for the departments (officers) of the Company and its subsidiaries and affiliates;
 - provide the Board of Directors with information on KPI targets approved for the relevant departments (officers) of the Company and its subsidiaries and affiliates, as well as reports on implementing them and reports on achieving KPI targets for the Company set by the Board of Directors;
 - in accordance with the overall structure of the Company's administration, approve the staffing plan and salaries for Company employees;
 - exercise rights and perform obligations of an employer in relation to the Company's employees, in accordance with the labour legislation;
 - distribute duties among Deputy General Directors;
 - submit reports on the business activities of the Company's subsidiaries and affiliates to the Board of Directors, along with information on other entities in which the Company is involved;
 - at least 45 (forty-five) days before the Annual General Meeting of Shareholders, present the Board of Directors with the Company's annual report, balance sheet and profit and loss statement;
 - appoint an Acting General Director in the event of the Sole Executive Body's temporary absence, vacation, business trip, etc.;
 - resolve other matters involved in the Company's operating performance, except for

those falling within the terms of reference of the General Meeting of Shareholders and the Board of Directors.

- 3.4. Resolutions of the General Meeting of Shareholders and the Board of Directors within their terms of reference shall be binding on the Sole Executive Body.
- 3.5. The Sole Executive Body may not pass resolutions on matters included in the terms of reference of the General Meeting of Shareholders or the Board of Directors in accordance with the effective legislation and the Company's Articles of Association.

Article 4. Rights, obligations and liabilities of the Sole Executive Body

- 4.1. The rights and obligations of the Sole Executive Body are defined by the Federal Law "On Joint Stock Companies", other regulatory acts of the Russian Federation, the Company's Articles of Association, these Regulations and the agreement between the Sole Executive Body and the Company.
- 4.2. In exercising its rights and performing its obligations, the Sole Executive Body shall act in the Company's interests, in good faith and reasonably, without disclosing commercial secrets and other confidential information about the Company obtained in connection with performance of its obligations.
The Sole Executive Body shall use information on the Company's activities, securities and transactions therewith that is not in the public domain and disclosure of which might have a significant impact on the market value of the Company's securities, as well as other information constituting an official or commercial secret, in the best interests of the Company and in compliance with the Company's internal documents.
The Sole Executive Body shall not exploit the Company's opportunities or allow them to be exploited for personal gain.
- 4.3. The Sole Executive Body shall, within five days of making a relevant credit entry on its personal account (depo account), provide the Chairperson of the Board of Directors with information regarding ownership of Company securities and also on sale and/or purchase of Company securities, which the Company shall disclose in the event and in the manner established by the effective regulations and requests by the trade organiser on the securities market on which the Company's securities are listed. If the acquisition of or changes in ownership of the Company's securities result from issue by the Company of new ordinary shares, such information shall be disclosed within five days of when the Sole Executive Body becomes aware or should become aware of the state registration of the report on the results of the issue of the Company's new ordinary shares. If the powers of the Sole Executive Body are transferred to a management organisation (manager), the given management organisation (manager) shall also provide the Chairperson of the Board of Directors, within the same timeframe, with information on ownership of Company securities by the management organisation (manager) or the officers of the management organisation.
- 4.4. The Sole Executive Body shall, within five days of making a relevant credit entry on its personal account (depo account) or registering relevant changes in ownership of shares with the Unified State Register of Legal Entities, inform the Chairperson of the Board of Directors of any changes in the size of its ownership interest in the authorised capital of Company subsidiaries or affiliates, and/or changes in its common shares in Company subsidiaries or affiliates, which the Company shall disclose in the event and in the manner established by the effective regulations and requests by the trade organiser on the securities market on which the Company's securities are listed. If the acquisition of or changes in the ownership of the securities of Company subsidiaries and affiliates result from issue of new ordinary shares, such information shall be disclosed within five days of when the Sole Executive Body becomes aware or should become aware of the state registration of the report on the results of the issue of the new ordinary shares in the Company's subsidiaries and affiliates.
- 4.5. The Sole Executive Body shall provide the Chairperson of the Board of Directors, the

Internal Audit Commission (Inspector) and Company Auditor with information on:

- legal entities in which it holds, independently or jointly with its affiliated person/persons, 20 or more per cent of the voting shares;
- legal entities on whose governing bodies he/she holds positions;
- any known transactions, either signed or planned, in which they might be deemed to have an interest.

- 4.6. If the powers of the Sole Executive Body are transferred to a management organisation (manager), the requirements specified in Clauses 4.3-4.5 are applicable to both the given management organisation (manager) and persons on its governing bodies.
- 4.7. The Sole Executive Body shall provide information requested by the General Meeting of Shareholders and the Board of Directors of the Company.
- 4.8. The Sole Executive Body shall be liable to the Company for losses suffered by the Company through the former's culpable acts (omissions) unless other grounds and scale of liability are established by federal laws.

Article 5. Final provisions

- 5.1. The provisions hereof shall be binding on the Company, its shareholders, members of the Board of Directors, the Sole Executive Body, other officers and employees of the Company.
- 5.2. These Regulations and all amendments hereto shall be approved by resolution of the General Meeting of Shareholders passed by a majority of the votes of the shareholders who hold voting shares and are present at the meeting. If, as a result of amendments to the effective legislation of the Russian Federation, certain provisions of these Regulations run counter thereto, such provisions become invalid and the provisions of the legislation take precedence. Provisions of these Regulations conflicting with the effective legislation shall not affect the validity of the other provisions hereof and the Company shall apply its best endeavours to replace the invalid provisions with new ones as promptly as practicable, in compliance with the legislation.
- 5.3. In the event of any inconsistency between these Regulations and the Articles of Association of the Company, the latter shall prevail.