

Schedule _____

APPROVED
by the General Meeting of Shareholders
of Open Joint Stock Company
"Severneftegazprom"
_____ 2009

Minutes No. _____
dated _____ 2009

CHARTER
OF OPEN JOINT STOCK COMPANY
SEVERNEFTEGAZPROM
(Version No. 2)

Article 1. General

- 1.1 Open Joint Stock Company Severneftegazprom (“**Company**”) is organized by conversion of Limited Liability Company Severneftegazprom and registered as an open joint stock company by the State Registration Chamber under the Ministry of Justice of the Russian Federation on 15 June 2001 under No. P-16625.16 and is the legal successor to all the rights and obligations of LLC Severneftegazprom, including the rights and obligations evidenced by available licenses, certificates and other title documents issued by all government, supervising and registering authorities, as well as to the rights and obligations under civil law transactions.
- 1.2 The legal status of the Company and rights and obligations of its shareholders shall be governed by this Charter in accordance with the Civil Code of the Russian Federation, the Federal Law “On Joint Stock Companies” No. 208-FZ dated 26 December 1995 (“**Federal Law “On Joint Stock Companies”**”) and other laws of the Russian Federation.
- 1.3 The term of the Company’s operation shall be unlimited.

Article 2. Name and Location of the Company

- 2.1 The full official name of the Company in Russian shall be: **Открытое акционерное Общество «Севернефтегазпром»**.

The abbreviated official name of the Company in Russian shall be: **ОАО «Севернефтегазпром»**.

The full official name of the Company in English shall be: **Open Joint Stock Company “Severneftegazprom”**.

The abbreviated official name of the Company in English shall be: **OJSC “Severneftegazprom”**.
- 2.2 The location of the Company shall be: Lenina street 22, settlement Krasnoselkup, Krasnoselkupsky Region, Yamalo-Nenetsky Autonomous District, Russian Federation, 629380.

Article 3. Legal Status of the Company

- 3.1 The Company shall be a legal entity as of the moment of its state registration and shall own its distinctive property reflected on its distinctive balance sheet and may, in its own name, acquire and exercise property-related and personal property-unrelated rights, undertake obligations and sue and be sued in court.
- 3.2 The Company shall have civil rights and bear obligations required for the conduct of any type of operation not prohibited under federal law.

The Company may engage in certain activities (the list of which is determined by applicable federal laws) only on a basis of a special permit (license).
- 3.3 The Company shall be an open joint stock company.

- 3.4 The shareholders shall not be liable for the obligations of the Company and shall bear the risk of the losses related to its operation to the extent of their shares.
- 3.5 Shareholders that have not fully paid up their shares shall bear joint and several liability for the obligations of the Company to the extent of the unpaid portion of the value of their shares.
- 3.6 Individuals and legal entities may be shareholders of the Company.
- 3.7 The Company shall, in accordance with applicable law, open current and other accounts with banking institutions, including those abroad, in Roubles and foreign currency.
- 3.8 The Company shall be the owner of the property transferred to it by its shareholders as payment for the shares in the Company.
- 3.9 The Company may duly participate in the establishment on Russian Federation territory and beyond of other organizations, acquire interests (shares) in their charter capitals. The Company shall also have the right to acquire buildings, structures, land, rights to use natural resources, securities and any other property that, in accordance with Russian Federation law, may be owned.
- 3.10 The Company shall keep its accounts and statistical and tax records in accordance with applicable Russian Federation law.
- 3.11 The Company shall have a round seal containing its full official name in the Russian language and an indication of its location. The Company may have stamps and letterheads with its name, its own logo and may have a duly registered trademark and other means of visual identification.

Article 4. Company Liability

- 4.1 The Company shall not be liable for the obligations of its shareholders.
- 4.2 The Company shall be liable for its obligation to the full extent of its property.
- 4.3 The state and its agencies shall not be liable for the obligations of the Company and the Company shall not be liable for the obligations of the state or its agencies.

Article 5. Branches, Representative Offices, Subsidiaries and Dependent Companies

- 5.1 The Company may establish branches and open representative offices both in the territory of the Russian Federation and abroad.
- 5.2 Branches and representative offices of the Company shall operate in the name of the Company. The Company shall be liable for the operation of its branches and representative offices. The head of a branch and the head of a representative office shall act under a power of attorney issued by the General Director of the Company (“**General Director**”).
- 5.3 The Company shall have the following representative offices:
 - (1) A representative office of OJSC Severneftegazprom in the city of Tyumen.

- (2) A representative office of OJSC Severneftegazprom in the city of Moscow.
 - (3) A representative office of OJSC Severneftegazprom in the city of Novy Urengoi.
 - (4) A representative office of OJSC Severneftegazprom in the settlement of Urengoi.
- 5.4 Company may have subsidiary and dependent companies with rights of a legal entity both on Russian Federation territory and beyond.
- 5.5 The establishment by the Company of subsidiary and dependent companies, as well as opening of branches and representative offices, beyond Russian Federation territory shall be in accordance with the laws of the foreign host country unless otherwise provided for under an international treaty of the Russian Federation.

Article 6. Principal Objectives and Types of Operation of the Company

- 6.1 The Company's principal objective shall be earning of profits.
- 6.2 The principal types of the operations of the Company shall be:
- Development of the Yuzhno-Russkoye gas and oil field and construction of its facilities;
 - Conducting geological exploration works;
 - Extraction, transmission and realization of extracted hydrocarbons and other raw products.
 - Performing functions of a supervisor-developer;
 - Transportation of cargoes and passengers by both own and hired motor vehicles;
 - Activities of paramedical personnel, organizing the activities of health units.

The Company shall operate to assure its and its branches and representative offices' economic and information-related security.

- 6.3 The Company may engage in any other types of operations not prohibited by the effective laws.

Article 7. Charter Capital of the Company

- 7.1 The charter capital of the Company shall amount to six hundred and sixty six thousand six hundred and sixty two Rubles forty nine kopecks (RUB 666,662.49) and divided into:
- 533,324 (five hundred and thirty three thousand three hundred and twenty four) ordinary registered shares with a nominal value of RUB 1 (one Ruble) each;
 - 2 (two) preferred shares type A with a nominal value of RUB 41,027 (forty one thousand twenty seven Rubles) each;
 - 3 (three) preferred shares type B with a nominal value of RUB 11,111.54 (eleven thousand one hundred and eleven Rubles fifty four kopecks) each;
 - 1 (one) preferred shares type C with a nominal value of RUB 17,949.87 (seventeen thousand nine hundred and forty nine Rubles eighty seven kopecks) each.
- 7.2 The Company has issued and placed ordinary registered shares that vote on all matters at the general meeting of the shareholders of the Company (the “**General Meeting of**

Shareholders”) and have an equal par value irrespective of the time of their issue. The Company has also placed and issued preferred registered shares of "A", "B" and "C" types that vote in the instances provided for under the Federal Law “On Joint Stock Companies”.

- 7.3 Company shares may be paid for in cash, securities, other items, property-related rights or other rights with a cash evaluation.
- 7.4 Additional shares may be placed by the Company only if they are paid up in full.
- 7.5 In the event additional shares are paid for in non-cash funds, the cash value of the property contributed as payment for such shares shall be appraised by the board of directors of the Company (hereinafter, the “**Board of Directors**”) pursuant to Article 77 of the Federal Law “On Joint Stock Companies”.
- 7.6 If required:
- (a) the charter capital of the Company may be increased by way of an increase of the par value of the shares or placement of additional shares; or
 - (b) reduced by way of a reduction in the par value of the shares or a reduction of their total number, including by way of an acquisition and redemption of part of the shares.
- 7.7 A resolution to increase the Charter Capital by increasing the par value of shares shall be adopted by the General Meeting of Shareholders by a majority of votes of the shareholders taking part in the meeting.
- 7.8 The Company may place additional shares only within the limits of the number of authorized shares as in this Charter.
- A resolution on the increase of the Charter Capital by placing additional shares shall be adopted by the General Meeting of Shareholders of the Company in accordance with the Federal Law “On Joint Stock Companies” and this Charter.
- 7.9 A resolution to reduce the charter capital and make relevant amendments to the Company charter shall be approved by the General Meeting of Shareholders subject to the requirements of Articles 29 and 30 of the Federal Law “On Joint Stock Companies”.

Article 8. Company Bonds and Other Securities Subject to State Registration

- 8.1 The Company shall have the right to place bonds and other securities subject to state registration provided for under Russian Federation legal acts on securities.
- 8.2 The Company shall place bonds and other securities subject to state registration by resolution of the Board of Directors except where they are placed by resolution of the General Meeting of Shareholders pursuant to Article 39 of the Federal Law “On Joint Stock Companies”.
- 8.3 A bond shall evidence the right of its holder to request redemption of the bond (payment of its par value or of its par value plus interest) when due.

A decision to issue bonds shall provide for the form, time limits and other terms of the bond redemption.

Article 9. Rights and Obligations of Shareholders of the Company

- 9.1 A shareholder owning ordinary shares of the Company shall have the right to:
- take part with a voting right in the General Meeting of Shareholders of the Company on all issues falling within its competence.
 - receive dividends;
 - receive, in event of the Company's liquidation, part of its property remaining after settlements with its creditors;
 - take part in management of the Company's affairs in the manner provided for under the applicable laws of the Russian Federation;
 - obtain information on the operation of the Company, including review of its books and accounts and other documentation in the manner provided for under applicable laws of the Russian Federation and this Charter;
 - require and receive copies of minutes and resolutions of the General Meeting of Shareholders and other management bodies of the Company;
 - dispose of their shares in the Company in favour of one or several shareholders and/or the Company and any other legal entities and individuals, without a consent of other shareholders and/or the Company; and
 - exercise other rights provided for under applicable laws of the Russian Federation and this Charter.
- 9.2 Each ordinary share provides equal rights to its holder.
- 9.3 A shareholder(s) holding in aggregate ten (10) and more percent of voting shares in the Company may request an audit of the Company's operation by the independent external auditor of the Company.
- 9.4.1 Shareholders owning preferred shares type A of the Company shall have the right to:
- receive fixed annual dividend in the amount of 12.308 % (twelve point three zero eight per cent) of the entire net profit of the Company in the financial year. Net profit allocated to pay dividends on preferred shares type A in accordance with the first sentence of this sub-paragraph shall be distributed among the shareholders who hold preferred shares type A proportionate to the number of the preferred shares type A they hold out of the total number of preferred shares type A placed by the Company;
 - take part with a voting right in the General Meeting of Shareholders in instances provided for under applicable laws of the Russian Federation;
 - obtain information on the operation of the Company, including review of its books and accounts and other documentation in the manner provided for under applicable laws of the Russian Federation and this Charter; and
 - exercise other rights provided for under applicable laws of the Russian Federation and this Charter.

9.4.2 Shareholders owning preferred shares type B of the Company shall have the right to:

- receive fixed annual dividend in the amount of 5 % (five per cent) of the entire net profit of the Company in the financial year. Net profit allocated to pay dividends on preferred shares type B in accordance with the first sentence of this sub-paragraph shall be distributed among the shareholders who hold preferred shares type B proportionate to the number of the preferred shares type B they hold out of the total number of preferred shares type B placed by the Company; payment of dividends on preferred shares type B shall be made after the full payment of dividends on preferred shares type A;
- take part with a voting right in the General Meeting of Shareholders in instances provided for under applicable laws of the Russian Federation;
- obtain information on the operation of the Company, including review of its books and accounts and other documentation in the manner provided for under applicable laws of the Russian Federation and this Charter; and
- exercise other rights provided for under applicable laws of the Russian Federation and this Charter.

9.4.3 Shareholders owning preferred shares type C of the Company shall have the right to:

- receive fixed annual dividend in the amount of 2.692 % (two point six nine two per cent) of the entire net profit of the Company in the financial year. Net profit allocated to pay dividends on preferred shares type C in accordance with the first sentence of this sub-paragraph shall be distributed among the shareholders who hold preferred shares type C proportionate to the number of the preferred shares type C they hold out of the total number of preferred shares type C placed by the Company; payment of dividends on preferred shares type C shall be made after the full payment of dividends on preferred shares type A and preferred shares type B;
- take part with a voting right in the General Meeting of Shareholders in instances provided for under applicable laws of the Russian Federation;
- obtain information on the operation of the Company, including review of its books and accounts and other documentation in the manner provided for under applicable laws of the Russian Federation and this Charter; and
- exercise other rights provided for under applicable laws of the Russian Federation and this Charter.

9.5 Each preferred share of one type provides equal rights to its holder.

9.6 A shareholder of the Company shall:

- comply with the requirements of this Charter;
- pay up its acquired shares in the manner established by this Charter and the effective laws;
- refrain from disclosing information treated by the Company as a commercial secret, and other information of a confidential nature.
- in instances provided for under applicable laws of the Russian Federation, advise the Company of their interest in the making of the transaction and provide it with information on itself and its affiliates; and

- discharge other duties provided for under applicable laws of the Russian Federation and this Charter.

Article 10. Funds and Net Assets of the Company

- 10.1 The Company shall establish a reserve fund amounting to five percent (5%) of the charter capital, to be formed out of compulsory annual deductions amounting to five percent (5%) of the Company's net profits until the size specified above is attained.
- 10.2 The reserve fund shall be used to cover the Company's losses, redeem Company bonds and purchase Company shares in the absence of other resources. The reserve fund may not be used for other purposes.
- 10.3 The General Meeting of Shareholders of the Company may resolve on the establishment by the Company of other special funds.
- 10.4 The value of the Company's net assets shall be assessed based on accounting data in the manner determined by the Russian Federation Finance Ministry and the federal executive authority on the securities market.
- 10.5 If, upon the end of the second and each subsequent financial year in accordance with the annual balance sheet proposed to the General Meeting of Shareholders of the Company for approval or the results of an audit, the value of the Company's net assets is less than the amount of its charter capital, the Company shall announce a reduction of its charter capital down to an amount not exceeding the value of its net assets.
- 10.6 If, upon the end of the second and each subsequent financial year in accordance with the annual balance sheet proposed to the General Meeting of Shareholders of the Company for approval or the results of an audit, the value of the Company's net assets is less than the minimum charter capital amount determined under the Federal Law "On Joint Stock Companies", the Company shall resolve on its liquidation.

Article 11. Company Profits and Their Distribution

- 11.1 Profits retained by the Company after the statutory payments (net profits) shall be at the disposal of the Company.
- 11.2 The Company's net profits shall be used to pay dividends, replenish the Company's reserve fund and other special funds and for other purposes related to the operation of the Company.

Article 12. Company Dividends

- 12.1 The Company may, based on the results of the first quarter, six months or nine months of the financial year and/or based on the results of the financial year, resolve on (announce) the payment of dividends on its placed shares unless otherwise determined under the Federal Law "On Joint Stock Companies". The resolution on the payment (announcement) of dividends based on the results of the first quarter, six months or nine months of the financial year may be approved within three months of the end of the relevant period.
- 12.2 Dividends shall be paid out of the net profits of the Company.

- 12.3 The resolution on the payment of dividends, the dividend amount and the form of its payment on ordinary and preferred shares shall be approved by the General Meeting of Shareholders. The dividend amount may not exceed the amount recommended by the Board of Directors.
- 12.4 The Company shall have the right to resolve on (announce) the payment of dividends on shares and pay such dividends subject to the restrictions determined under Article 43 of the Federal Law “On Joint Stock Companies”.

Article 13. Company’s Register of Shareholders

- 13.1 The register of shareholders of the Company shall be kept by a specialized registrar selected by the Board of Directors.
- 13.2 The Company’s register of shareholders shall specify information on each registered person, the number and categories (types) of the shares entered in the name of each registered person and other information provided for under Russian Federation legal acts.
- 13.3 An entry in the Company’s register of shareholders shall be made at the request of a shareholder or nominee shareholder within three days of the moments documents provided for under Russian Federation legal acts are submitted.

Article 14. General Meeting of Shareholders

- 14.1 The General Meeting of Shareholders shall be the highest governing body of the Company.
- 14.2 The Company shall annually hold the General Meeting of Shareholders no earlier than two months and no later than six months from the end of the financial year of the Company.

The annual General Meeting of Shareholders shall approve resolutions on the following matters: election of the Board of Directors and internal audit commission, approval of the Company’s auditor, approval of annual reports and annual accounts, including the profit and loss statements of the Company, and distribution of profits (including payment (announcement) of dividends except profits distributed as dividends based on the results of the first quarter, six months or nine months of the financial year) and losses of the Company based on the results of the financial year. The annual General Meeting of Shareholders may also approve resolutions on other matters delegated to the competence of the General Meeting of Shareholders of the Company.

- 14.3 The General Meeting of Shareholders may transact business (shall have a quorum) if attended by shareholders holding, in aggregate, more than one-half of the votes attached to the placed voting shares of the Company.
- 14.4 In the absence of a quorum for the annual General Meeting of Shareholders, another General Meeting of Shareholders shall be held with the same agenda.
- 14.5 Notification of an adjourned General Meeting of Shareholders shall be in accordance with the requirements of Article 52 of the Federal Law “On Joint Stock Companies”.
- 14.6 An adjourned General Meeting of Shareholders may transact business (shall have a quorum) if attended by shareholders holding, in aggregate, at least 30 percent of the votes attached to the placed voting shares of the Company.

- 14.7 In the event an adjourned General Meeting of Shareholders is held in less than 40 days from the disqualified General Meeting of Shareholders, those shareholders who are entitled to take part in the General Meeting of Shareholders shall be identified as per the list of persons entitled to take part in the initial (disqualified) General Meeting of Shareholders.
- 14.8 Any General Meeting of Shareholders held in addition to the annual Meeting shall be extraordinary.
- 14.9 An extraordinary General Meeting of Shareholders shall be held upon resolution of the Board of Directors based on:
- its own initiative;
 - demand of the internal audit commission of the Company;
 - demand of the external auditor of the Company; and
 - demand of a shareholder(s) holding at least ten percent (10%) of the voting shares in the Company as at the date of such demand.
- 14.10. An extraordinary General Meeting of Shareholders shall be convened and held in the manner and time period provided for under Article 55 of the Federal Law “On Joint Stock Companies”.
- 14.11 In the absence of a quorum for the holding of an extraordinary General Meeting of Shareholders, an adjourned General Meeting of Shareholders may be held with the same agenda.

Article 15. Competence of the General Meeting of Shareholders

- 15.1 The following matters shall come under the competence of the General Meeting of Shareholders.
- (1) Amendments and additions to the Charter or adopting new versions of the Charter;
 - (2) The re-organization of the Company;
 - (3) Liquidation of the Company, appointment of the liquidation commission and approval of the interim and final liquidation statements;
 - (4) (a) Determining of the number of members of the Board of Directors; and
(b) formation of the Board of Directors and early termination of its authority;
 - (5) Determining the quantity, the nominal value, the classes (types) of the authorized shares and the rights attaching thereto;
 - (6) Increasing the Charter capital of the Company by increasing the nominal value of shares or by issuing additional shares;
 - (7) Reducing the Charter capital of the Company by reducing the nominal value of shares, through the acquisition by the Company of a certain quantity of shares in order to reduce their total number, or by canceling the shares that have been acquired or bought out by the Company;

- (8) Election of the members of the Internal Auditing Committee and early termination of the powers of its members;
 - (9) Approval of the Company's external auditor;
 - (10) Payment (announcement) of dividends based on the results of the first quarter, six months or nine months of the financial year;
 - (11) (a) Approval of annual reports and annual accounts, including profit and loss statements of the Company; and

(b) Distribution of profits (including payment (announcement) of dividends except profits distributed as dividends based on the results of the first quarter, six months or nine months of the financial year) and losses of the Company based on the results of the financial year;
 - (12) Approval of procedure of carrying out the General Shareholders Meeting;
 - (13) Election of members of the tallying commission and early termination of their powers;
 - (14) Splitting and consolidation of the shares;
 - (15) Approval of interested party transactions in the instances provided for by the Federal Law “On Joint Stock Companies”;
 - (16) Approval of major transactions in the instances provided for by Federal Law “On Joint Stock Companies”;
 - (17) Acquisition by the Company of issued shares in the cases provided by the Federal Law “On Joint Stock Companies”;
 - (18) Making decisions on the Company's participation in financial and industrial groups, associations and other unions of business entities;
 - (19) Approval of the internal documents regulating activities of the governing bodies of the Company, including General Meeting’s Internal Regulations, Board’s Internal Regulations, General Director’s Internal Regulations and Auditing Committee’s Internal Regulations;
 - (20) Making decisions on payment of the remuneration of the members of the internal audit commission and Board of Directors (including the amount thereof) and compensation of their costs arising in connection with discharge of their duties;
 - (21) Other matters provided by the Federal Law “On Joint Stock Companies”.
- 15.2 Matters falling within the competence of the General Meeting of Shareholders may not be delegated for resolution by the Board of Directors, except for as provided under the Federal Law “On Joint Stock Companies”.

Matters falling within the competence of the General Meeting of Shareholders may not be delegated for resolution by the general director of the Company.

Article 16. Resolutions of the General Meeting of Shareholders

- 16.1 Resolutions on the matters specified in sub-paragraphs (1) through (3), (5) and (17) of Article 15.1 of this Charter shall be approved at the General Meeting of Shareholders by a three quarters majority of votes of the shareholders, holding voting shares in the Company, who are participating in the General Meeting of Shareholders.

Resolutions on the matters of placing shares and Company's securities in cases specified in Article 39 of the Federal Law "On Joint Stock Companies" shall be approved at the General Meeting of Shareholders by a majority of three quarters of votes of the shareholders, holding voting shares in the Company, who are participating in the General Meeting of Shareholders.

- 16.2 Resolutions on the matters specified in sub-paragraphs (1) through (4a), (6), (7), (10), 11(b) (in part of payment (announcement) of dividends) and 20 of Article 15.1 hereof shall be approved by the General Meeting of Shareholders only pursuant to a relevant proposal/recommendations of the Board of Directors, which shall be adopted unanimously in accordance with Article 23.3 below.
- 16.3 Resolutions on the matters specified in sub-paragraphs (14) through (19) of Article 15.1 of this Charter shall be approved by the General Meeting of Shareholders only pursuant to a relevant proposal/recommendations of the Board of Directors, which shall be adopted by majority vote in accordance with Article 23.4 below.
- 16.4 A resolution of the General Meeting of Shareholders on all other matters put to vote shall be approved by a majority vote of shareholders, holding voting shares in the Company, who are participating in the Meeting, unless the Federal Law "On Joint Stock Companies" provides otherwise.
- 16.5 The General Meeting of Shareholders may not adopt resolutions on matters not included in its agenda and/or change the agenda.

Article 17. Proposals of Agenda Items; Information on the General Meeting of Shareholders

- 17.1 The agenda of a General Meeting of Shareholders shall be determined by the Board of Directors during the period of preparations for the General Meeting of Shareholders.
- 17.2 A shareholder(s) holding in aggregate not less than two percent (2%) of the voting shares in the Company may not later than 60 days after the end of a financial year propose items for the agenda of the annual General Meeting of Shareholders and nominate such number of candidates to the Board of Directors, the internal audit commission and the tallying commission of the Company which may not be more than the number of members of the particular body.
- 17.3 In addition to items proposed for inclusion in the agenda of a General Meeting of Shareholders by shareholders and in the absence of such proposals or in the absence or given a shortage of such candidates for the formation of the relevant body, the Board of Directors may include items in the agenda of the General Meeting of Shareholders or candidates in the list of candidates.

- 17.4 Notice of convocation of a General Meeting of Shareholders shall be given to the shareholders in writing (by registered mail, return receipt requested, or delivered against signature or faxed specifying the outgoing number and date and the title and full name of the sender) no later than 20 days prior to its convocation, and notice of a General Meeting of Shareholders with an agenda containing an item on the reorganization of the Company, no later than 30 days prior to the date of the General Meeting of Shareholders.
- 17.5 Twenty days or, in the event the General Meeting of Shareholders with an agenda containing an item on the reorganization of the Company, 30 days prior to the General Meeting of Shareholders, information (materials) provided for under Article 52 of the Federal Law “On Joint Stock Companies” shall be made available to those entitled to take part in the General Meeting of Shareholders for review at the location of the Company’s executive body and at other places the addresses of which are specified in the notice of convocation of the General Meeting of Shareholders. At the request of those entitled to take part in the General Meeting of Shareholders, the Company shall furnish them with copies of the said documents in the prescribed manner.
- 17.6 Shareholders shall take part in a General Meeting of Shareholders in person or by proxy.
- 17.7 A shareholder’s proxy at a General Meeting of Shareholders shall act as per his/her powers based on a power of attorney made in writing. A voting proxy shall be executed as per the requirements of paragraphs 4 and 5 of Article 185 of the Civil Code of the Russian Federation, or to be notarized, and contain information on the principal and the proxy (name, place of residence or location, passport details).

A shareholder may at any time replace its proxy at the General Meeting of Shareholders or personally take part in the General Meeting of Shareholders.

- 17.8 The General Meeting of Shareholders shall be presided over by the chairman of the Board of Directors (hereinafter, the “**Chairman of the Board of Directors**”).

In the event of his/her absence, the General Meeting of Shareholders shall be presided over by one of the directors chosen by resolution of the Board of Directors of the Company. In the absence of members of the Board of Directors, the General Meeting of Shareholders shall be chaired by a person elected by the General Meeting of Shareholders.

Article 18. Voting at the General Meeting of Shareholders and Minutes of the General Meeting of Shareholders

- 18.1 Voting at the General Meeting of Shareholders shall be based on the principle of “one voting share – one vote.”
- 18.2 Resolutions on any matters shall be approved by an open vote.
- 18.3 Voting results on matters considered at the General Meeting of Shareholders shall be reflected in the minutes of the General Meeting of Shareholders of the Company.
- 18.4 Minutes of a General Meeting of Shareholders of the Company shall be drawn up within 15 days of the closing of the General Meeting of Shareholders, in two copies. Both copies shall be signed by the chair and the secretary of the General Meeting of Shareholders.

- 18.5 Minutes of a General Meeting of Shareholders shall be dispatched to the shareholders within two days of its execution.

Article 19. Board of Directors

- 19.1 The Board of Directors shall be a corporate body that in accordance with the Federal Law “On Joint Stock Companies” and this Charter carries out overall management of the Company’s operation, except for the matters delegated to the exclusive competence of the General Meeting of Shareholders.
- 19.2 By resolution of the General Meeting of Shareholders, consideration and/or compensation of costs related to the performance by members of the Board of Directors of their official functions may be paid to members of the Board of Directors during the period of performance by them of their obligations. The amounts of such consideration and compensation shall be determined by resolution of the General Meeting of Shareholders.
- 19.3 Members of the Board of Directors shall be elected by the General Meeting of Shareholders in the manner provided for under the Federal Law “On Joint Stock Companies” and this charter for a term until the next annual General Meeting of Shareholders.

In the event the annual General Meeting of Shareholders was not held by the deadline established under Article 14.2 hereof, the powers of the members of the Board of Directors shall terminate except their powers to prepare, convene and conduct the annual General Meeting of Shareholders.

- 19.4 The number of members of the Board of Directors of the Company shall be 8 (eight) persons.
- 19.5 The members of the Board of Directors shall be elected by the General Meeting by cumulative voting pursuant to the procedure prescribed under paragraph 4 Article 66 of the Federal Law "On Joint Stock Companies".

Persons elected to the Board of Directors of the Company may be reelected an unlimited number of times.

- 19.6 The General Meeting of Shareholders may at any time subject the powers of all members of the Board of Directors of the Company to early termination.
- 19.7 The General Director may not simultaneously serve as the Chairman of the Board of Directors.
- 19.8 Only an individual may be a member of the Board of Directors. A member of the Board of Directors need not be a shareholder of the Company.

Article 20. Competence of the Board of Directors

- 20.1 The following matters shall come under the competence of the Board of Directors:
- (1) Determination of priority types of the Company’s operation and approval of long-term plans and basic programs of the Company’s operation, including the Company’s annual budget and investment programs;

- (2) Convocation of the annual and extraordinary General Meeting of Shareholders, except for cases provided in paragraph 8 of Article 55 of the Federal Law “On Joint Stock Companies”;
- (3) Approval of agenda of General Meeting of Shareholders;
- (4) Approval of the date of preparation of the list of persons entitled to participate in the General Meeting of Shareholders, and matters related to the authority of the competence of the Board of Directors pursuant to the provisions of Chapter VII of the Federal Law “On Joint Stock Companies” and related to the preparation and conduct of the General Meeting of Shareholders;
- (5) Issue by the Company of bonds and other securities in the instances provided for by the Federal Law “On Joint Stock Companies”;
- (6) Determination the price (cash valuation) of the property, the price of issue and buy-out of issue securities in the instances provided for by the Federal Law “On Joint Stock Companies”;
- (7) Acquisition by the Company of its own issued shares, bonds and other securities in the instances provided for by the Federal Law “On Joint Stock Companies”;
- (8) Appointment of the General Director and early termination of his powers;
- (9) Recommendations with respect to the amount of remuneration payable to the members of the Internal Auditing Committee and the Board of Directors, as well as compensation of their costs, and determining the amount of remuneration payable to the external auditor;
- (10) Recommendations with respect to amount of dividends on the shares and procedure of payment thereof (including dividends based on the results of the first quarter, six months or nine months of the financial year);
- (11) Use of the reserve fund and other special funds of the Company;
- (12) Approval of the Company’s internal documents (regulations) (excluding those approved by the General Meeting of Shareholders in accordance with the Federal Law “On Joint Stock Companies” and internal documents approved by General Director of the Company in accordance with the Charter), including Deputy General Director for Development and Strategic Planning Internal Regulations, Additional Deputy General Director Regulations, Technical Committee’s Internal Regulations and Accounting and Reporting Internal Regulations;
- (13) Setting up and closing branches and representative offices of the Company;
- (14) Approval of major transactions in the instances provided by Federal Law “On Joint Stock Companies”;
- (15) Approval of interested party transactions in the instances provided for by the Federal Law “On Joint Stock Companies”;
- (16) Determination of a procedure for the making of transactions;

- (17) Determination of a procedure for interaction with business companies and organizations whose shares and interests are held by the Company and approval of resolutions on matters delegated under such procedure to the competence of the Board of Directors;
- (18) Approval of resolutions on the Company's participation or termination of the Company's participation in other organizations (including by means of acquisitions or divestitures by the Company of its interests), other than those specified in sub-paragraph 18 of Article 15.1 of this Charter;
- (19) Approval of resolutions on the making of transactions with the Company's assets in the form of shares (interests or units) in other organizations and on contributions by the Company to the property of other organizations in accordance with the procedure for the making of transactions;
- (20) Approval of the Company's registrar and the terms of its contract, as well as termination of such contract;
- (21) Initiation of audits of the operation of the Company, including by an independent auditor;
- (22) Approval of a proposal to regulatory authorities on any amendment to any license held by the Company except those required for the purposes of compliance by the Company with the applicable laws of the Russian Federation;
- (23) Decision on surrender of any licenses by the Company;
- (24) Approval of amendments to the effective long term development plan and budget for Yuzhno-Russkoye gas and oil field if such amendments result or may result in more than fifteen percent (15%) cumulative over-expenditure of the long term development plan and budget for Yuzhno-Russkoye gas and oil field;
- (25) Approval of the annual work programs and/or annual budgets for Yuzhno-Russkoye gas and oil field and making amendments thereto or amendments to the annual work program and budget if such approval or amendment results or may result in (i) more than fifteen percent (15%) decrease in the gas sales volumes (i.e. gas available for sale at the fiscal metering and valving station at the outlet of the UKPG (central gas processing facility)) for the next financial year (or the current financial year, as the case may be) compared to the gas sales volumes (i.e. gas available for sale at the fiscal metering and valving station at the outlet of the UKPG (central gas processing facility)) provided for that year as set out in the long term development plan and budget for Yuzhno-Russkoye gas and oil field, or (ii) more than fifteen percent (15%) over-expenditure of the annual work program and budget for Yuzhno-Russkoye gas and oil field for the next financial year (or the current financial year, as the case may be) as compared with the expenditure for that year set out in the long term development plan and budget for Yuzhno-Russkoye gas and oil field, provided that for the purposes of calculating over-expenditure during any financial year, no regard shall be had to any item of expenditure that was part of an approved annual work program and budget for Yuzhno-Russkoye gas and oil field of a previous financial year and was incurred in the financial year for which the over-expenditure is being calculated;
- (26) Approval of the draft additional field development plan and additional development plan for Yuzhno-Russkoye gas and oil field;

- (27) Approval of amendments to the long term take or pay gas sales agreement, including a cost-plus price for the gas, between OAO Gazprom and the Company, and the long term take or pay gas sales agreement, including a cost-plus price for the gas, between the ZAO Gazprom YRGM Trading and the Company and between ZAO Gazprom YRGM Development and the Company;
 - (28) Approval of any expenditure that is not provided in the annual work program and budget and results in more than fifteen percent (15%) over-expenditure of the annual work program and annual budget for Yuzhno-Russkoye gas and oil field;
 - (29) Approval of expenditure on any item specified in the annual work program and annual budget for Yuzhno-Russkoye gas and oil field where such expenditure exceeds by more than fifteen percent (15%) the expenditure specified for that item in the effective annual work program and budget for Yuzhno-Russkoye gas and oil field;
 - (30) Approval of the provision by the Company of any guarantees or granting of any encumbrances over the assets or property of the Company (other than guarantees or encumbrances in the ordinary course of business of the Company, by operation of law or those required for the purposes of compliance by the Company with the applicable laws of the Russian Federation);
 - (31) Approval of entering into or termination by the Company of any partnership, joint venture or profit-sharing agreement;
 - (32) Approval of decisions relating to the organizational structure of the Company;
 - (33) Proposals to the General Meeting of Shareholders on making amendments to the Charter or approving new versions thereof;
 - (34) Proposals to the General Meeting of Shareholders on the re-organization of the Company;
 - (35) Proposals to the General Meeting of Shareholders on the liquidation of the Company, appointment of the liquidation commission and approval of the interim and final liquidation statements;
 - (36) Proposals to the General Meeting of Shareholders on determining the number of members of the Board;
 - (37) Proposals to the General Meeting of Shareholders on increasing the charter capital of the Company by increasing the nominal value of shares or by issuing additional shares;
 - (38) Appointment of members of the Technical Committee;
 - (39) Approval of the form and structure of the Company's financing (including the proportion between equity and debt financing to be raised by the Company and means and instruments of such equity and debt financing as well as their parameters); and
 - (40) Resolution on other matters provided for under the Federal Law "On Joint Stock Companies".
- 20.2 Matters falling within the competence of the Board of Directors of the Company may not be relegated for resolution by the General Director.

Article 21. Chairman of the Board of Directors

- 21.1 The Chairman of the Board of Directors shall be elected by a majority of votes of the total number of the members of the Board of Directors amongst their number.

The Board of Directors may at any time reelect its Chairman by a majority of votes of the total number of the members of the Board of Directors.

- 21.2 The Chairman of the Board of Directors shall manage operation of the Board of Directors, convene meetings of the Board of Directors and arrange for voting in absentia; approve the agenda of the meetings of the Board of Directors' and preside over such meetings, arrange for keeping of minutes at meetings of the Board of Directors; preside over the General Meetings of Shareholders; perform other functions in accordance with the Federal Law "On Joint Stock Companies".
- 21.3 In the absence of the Chairman of the Board of Directors, his functions shall be performed by a member of the Board of Directors appointed by resolution of the Board of Directors.

Article 22. Meetings of the Board of Directors

- 22.1 Resolutions of the Board of Directors may be approved at the meetings of the Board of Directors or by voting in absentia (poll).

For the purposes of determining the quorum and results of the voting at the meetings of the Board of Directors, a written opinion of a member of the Board of Directors who was absent at such meeting shall be taken into account on the issues included in the meeting agenda. Any member of the Board of Directors may submit its written opinion prior to or at the date of the meeting in the manner provided by the Board's Internal Regulations.

- 22.2 Meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors on his initiative, as well as at request of
- any member of the Board of Directors,
 - internal audit commission or the external auditor of the Company; or
 - the General Director.

In the absence of the Chairman of the Board of Directors a meeting of the Board of Directors shall be convened by a member of the Board of Directors who is performing his functions in accordance with Article 21.3 hereof.

- 22.3 The Chairman of the Board of Directors, members of the Board of Directors, the General Director, the internal audit commission of the Company and the external auditor shall have the right to propose items for inclusion in the agenda of a meeting of the Board of Directors.
- 22.4 Notice of a meeting of the Board of Directors shall be given no later than 15 days prior to its convocation or, if an absentee vote is taken, no later than 20 days prior to the submission to the Board of Directors of filled-out voting ballots.

By the said deadlines, notice of a meeting of the Board of Directors shall be given to each member of the Board of Directors by registered mail, delivered against signature or faxed specifying the outgoing number, the date and the title and full name of the sender.

Such notice shall specify:

- the date, venue and hour of the meeting (if a meeting is held);
- the list of invitees to the meeting (if a meeting is held); and
- the agenda items.

Attached to such notice shall be:

- draft resolutions of the Board of Directors (language of resolutions on each item);
- grounds for the need to approve the proposed resolutions;
- information materials; and
- voting ballot (if an absentee vote is to be taken) specifying the date by which filled-out voting ballots are to be submitted to the Board of Directors.

22.5 For deciding the matters set out in Article 23.3 below, a Board of Directors' meeting shall be quorate if all the members of the Board Directors are present. For deciding all remaining matters, a Board meeting shall be quorate, if not less than 4 (four) members of the Board of Directors are present.

22.6 Where the number of the members of the Board of Directors falls below the number constituting the quorum specified in Article 22.5 hereof, the Board of Directors shall resolve to convene an extraordinary General Meeting of Shareholders to elect a new Board of Directors. The remaining members of the Board of Directors may only resolve to convene such extraordinary General Meeting of Shareholders.

22.7 Minutes shall be kept at meetings of the Board of Directors. Minutes of a meeting of the Board of Directors shall be drawn up within three days of its convocation.

The minutes of a meeting shall specify:

- its venue and time;
- those present at the meeting;
- the agenda of the meeting;
- matters put to a vote;
- voting results on each matter; and
- the resolutions approved.

Minutes of a meeting of the Board of Directors shall be signed by the person presiding at the meeting who shall be responsible for the accuracy of the minutes. Attached to the minutes shall be written opinions of the members of the Board of Directors who were absent at such meeting. The minutes shall be dispatched to the members of the Board of Directors within two days of their execution.

Where the Board of Directors approved resolutions by way of an absentee vote, the minutes of the meeting (absentee vote) shall specify:

- the date of the minutes;
- the members of the Board of Directors who submitted signed voting ballots by such date; and
- the resolutions approved.

Minutes of a meeting shall be signed by the Chairman of the Board of Directors. Attached to the minutes shall be voting ballots signed by members of the Board of Directors. The minutes shall be dispatched to the members of the Board of Directors within two days of their execution.

22.8 The Secretary of the Board of Directors shall arrange for organizational support of the deliberations of the Board of Directors and keep minutes of its meetings.

22.9 The procedure for convocation and holding of meetings of the Board of Directors shall be also determined in accordance with Internal Regulations of the Board of Directors adopted at the General Meeting of Shareholders.

Article 23. Resolutions of the Board of Directors

23.1 As a meeting of the Board of Directors approves resolutions, each member of the Board of Directors shall have one vote.

23.2 A member of the Board of Directors may not delegate his/her right to vote to another person, including another member of the Board of Directors.

23.3 Resolutions at meetings of the Board of Directors on the following matters shall be approved by a unanimous vote of the elected members of the Board of Directors. Votes of the former members of the Board of Directors shall not be taken into account:

- (1) approval of amendments or supplements to the long term development plan and budget for Yuzhno-Russkoye gas and oil field, if such amendments result or may result in more than fifteen percent (15%) cumulative over-expenditure of the long term development plan and budget for Yuzhno-Russkoye gas and oil field;
- (2) approval of amendments or supplements to the long term development plan and budget for Yuzhno-Russkoye gas and oil field with respect to the annual gas sales volumes (i.e. gas available for sale at the fiscal metering and valving station at the outlet of the UKPG (central gas processing facility)) based on commercial considerations;
- (3) approval of any draft additional field development plan and additional field development plan for Yuzhno-Russkoye gas and oil field.
- (4) approval of the annual work program and budget for Yuzhno-Russkoye gas and oil field, or amendments to the annual work program and budget for Yuzhno-Russkoye gas and oil field if such approval or amendment results or may result in (i) more than a fifteen percent (15%) decrease in the gas sales volumes (i.e. gas available for sale at the fiscal metering and valving station at the outlet of the UKPG (central gas processing facility)) for the next financial year (or the current financial year, as the case may be) compared to

the gas sales volumes (i.e. gas available for sale at the fiscal metering and valving station at the outlet of the UKPG (central gas processing facility)) set out for that year in the long term development plan and budget for Yuzhno-Russkoye gas and oil field, or (ii) more than fifteen percent (15%) over-expenditure of the annual work program and budget for Yuzhno-Russkoye gas and oil field for the next financial year (or the current financial year, as the case may be) as compared with the expenditure for that year set out in the long term development plan and budget for Yuzhno-Russkoye gas and oil field, provided that for the purposes of calculating over-expenditure during any financial year, no regard shall be taken of any item of expenditure that was part of an approved annual work program and budget for Yuzhno-Russkoye gas and oil field of a previous financial year and which was incurred in the financial year for which the over-expenditure is being calculated.

- (5) approval of any expenditure that is not provided in the effective annual work program and budget for Yuzhno-Russkoye gas and oil field and which results in more than fifteen percent (15%) over-expenditure of the annual work program and budget for Yuzhno-Russkoye gas and oil field;
- (6) approval of any material amendments to the long term take or pay gas sales agreement, including a cost-plus price for the gas, between Gazprom and the Company and long term take or pay gas sales agreement, including a cost-plus price for the gas, between ZAO Gazprom YRGM Trading and the Company and between ZAO Gazprom YRGM Development and the Company;
- (7) approval of any proposals to a regulatory authority for any amendments to the license for Yuzhno-Russkoye gas and oil field, except those required for the purposes of compliance by the Company with the applicable laws of the Russian Federation;
- (8) decision on surrender of the license for Yuzhno-Russkoye gas and oil field by the Company;
- (9) approval of decisions with respect to material acquisitions or divestitures by the Company of its interests in other legal entities, other than those specified in subparagraph 18 of Article 15.1 of this Charter;
- (10) approval of the provision by the Company of any material guarantees or the granting of any material encumbrances over the assets or property of the Company (other than guarantees or encumbrances in the ordinary course of business of the Company, by operation of law or those required for the purposes of compliance by the Company with the applicable laws of the Russian Federation) ;
- (11) entering into or termination of any partnership, joint venture or profit-sharing agreement;
- (12) proposals to the General Meeting of Shareholders on amendments to the Charter or approving new versions thereof, except those required for the purposes of compliance by the Company with the Applicable Laws of the Russian Federation;
- (13) proposals to the General Meeting of Shareholders on determining the number of members of the Board;
- (14) recommendations with respect to amount of dividends on the shares and procedure of payment thereof (including dividends based on the results of the first quarter, six months or nine months of the financial year);

- (15) appointment of members of the Technical Committee;
 - (16) proposals to the General Meeting of Shareholders on the re-organization of the Company;
 - (17) proposals to the General Meeting of Shareholders on the liquidation of the Company, appointment of the liquidation commission and approval of the interim and final liquidation statements;
 - (18) recommendations with respect to the amount of remuneration payable to the members of the Internal Auditing Committee and the Board of Directors, as well as compensation of their costs, and determining the amount of remuneration payable to the external auditor; and
 - (19) approval of the form and structure of the Company's financing (including the proportion between equity and debt financing to be raised by the Company and means and instruments of such equity and debt financing as well as their parameters).
- 23.4 Resolutions at meetings of the Board of Directors on all other matter not listed in Article 23.3 hereof shall be approved by a majority of votes of the elected members of the Board of Directors unless the Federal Law "On Joint Stock Companies" provides for a super majority or unanimous vote for such a decision. Votes of the former members of the Board of Directors shall not be taken into account.
- 23.5 In case of equality of votes cast for and against a resolution considered at a meeting of the Board of Directors, the Chairman of the Board of Directors shall have the casting vote.

Article 24. General Director of the Company

- 24.1 The Company's current operation shall be managed by the General Director, its sole executive body.
- 24.2 The General Director shall be elected and his/her powers shall be subject to early termination by resolution of the Board of Directors. The term of the General Director in office shall be three years.
- The Board of Directors may subject the powers of the General Director to early termination at any time.
- 24.3 The General Director shall act in accordance with the Federal Law "On Joint Stock Companies", applicable laws of Russian Federation, this Charter and the agreement made between the General Director and the Company. On behalf of the Company, the agreement shall be executed by the Chairman of the Board of Directors.
- 24.4 The Board of Directors shall approve the General Director's presence on the governing bodies of other organizations and his/her vacation and issue incentives and reprimands with respect to the General Director pursuant to the agreement made with the General Director.
- 24.5 For the period of his/her vacation, business trip or other short-term absence, the General Director may appoint, from among his/her deputies, a person temporarily acting as General Director.
- 24.6 The competence of the General Director shall include all matters involved on the management of the day-to-day operations of the Company except matters delegated to

the exclusive competence of the General Meeting of Shareholders and the Board of Directors.

24.7 The General Director shall:

- act on behalf of the Company without a power of attorney, including its representation, make transactions in the name of the Company and dispose of Company property in accordance with the Company internal regulations governing the making of transactions and interaction with the business companies and organizations in which the Company holds shares and interests;
- issue powers of attorney for the right to represent the Company, including powers of attorney with the right of sub-delegation;
- approved the manning table of the Company and of its branches and representative offices and determine the forms, systems and amounts of remuneration;
- hire and dismiss Company employees;
- issue orders, directives and instructions binding on all Company employees;
- approve the Company's internal regulations governing its current operation except internal regulations on the operation of the Company delegated hereunder to the competence of the General Meeting of Shareholders and the Board of Directors;
- approve regulations of the Company's branches and representative offices and appoint and dismiss their heads;
- arrange for compliance with the resolutions of the General Meeting of Shareholders and the Board of Directors and performance of obligations to the treasury and the counterparties;
- open the Company's bank accounts;
- arrange for control over the use of tangible, financial and labor resources;
- approve the list of information containing commercial secrets and of confidential nature;
- arrange for compliance with the requirements of applicable law in the business operation of the Company; and
- approve resolutions on the filing on behalf of the Company of claims and demands to legal entities and natural persons and exercise the rights of a shareholder (participant) in the business companies and organizations in which the Company participates.

Article 25. Major Transactions; Interested Transactions

Resolutions on the approval of major and interested transactions shall be approved by the General Meeting of Shareholders and the Board of Directors of the Company in accordance with the requirements of Chapters X and XI of the Federal Law "On Joint Stock Companies".

Article 26. Internal audit commission

26.1 With a view to monitoring the financial and business operation of the Company, the General Meeting of Shareholders shall elect an internal audit commission of three persons for the period until the next annual General Meeting of Shareholders.

By resolution of the General Meeting of Shareholders, while members of the internal audit commission of the Company perform their obligations, they may be paid consideration and/or compensation of their costs related to the performance of their obligations. The amounts of such consideration and compensation shall be approved by resolution of the General Meeting of Shareholders.

26.2 In addition to the matters provided for under the Federal Law “On Joint Stock Companies”, the competence of the internal audit commission of the Company shall include the following matters:

- (1) audit and analysis of the financial condition of the Company, its solvency, the operation of the system of internal controls and the system for the management of financial and operating risks, liquidity of assets and the debt-to-equity ratio;
- (2) verification of the prompt and proper nature of payments to counterparties and the treasury, payments of salaries, social security deductions, accrual and payment of dividends and other payments;
- (3) verification of compliance, in the use of tangible, financial and labor resources, in production and in financial and business transactions, with the established standards and norms, approved estimates and other documents governing the operation of the Company and compliance with the resolutions of the General Meeting of Shareholders;
- (4) verification of the legitimacy of the conduct of the Company’s business under agreements and transactions made on behalf of the Company;
- (5) inspection of the Company’s cash and property, verification of efficient use of the Company’s assets and other resources, identification of the causes underlying unproductive losses and costs;
- (6) verification of compliance with directives to cure breaches and defects previously discovered by the internal audit commission; and
- (7) verification of conformity of resolutions on financial and business matters approved by the Board of Directors to the Company charter and the resolutions of the General Meeting of Shareholders.

The rules of procedure of the internal audit commission of the Company shall be determined under the Regulations of the Internal Audit Commission approved by the General Meeting of Shareholders.

26.3 Inspection (audit) of the Company’s financial and business operation shall be conducted based on the Company’s annual performance results and at any time on the initiative of the internal audit commission of the Company, by resolution of the General Meeting of Shareholders or the Board of Directors or at the request of a Company shareholder/s holding, in aggregate, at least 10 percent of the Company’s voting shares.

- 26.4 At the request of the internal audit commission of the Company, those holding office on the governing bodies of the Company shall provide documents on the financial and business operation of the Company.
- 26.5 The internal audit commission of the Company may request the convocation of an extraordinary General Meeting of Shareholders pursuant to Article 55 of the Federal Law “On Joint Stock Companies”.
- 26.6 Members of the internal audit commission of the Company may not simultaneously serve as members of the Board of Directors or hold other office on the Company’s governing bodies.

Shares held by members of the Board of Directors or those holding office on the governing bodies of the Company may not take part in the vote on the election of members of the internal audit commission of the Company.

Article 27. Auditor of the Company

- 27.1 The external auditor (an individual or an audit firm) of the Company shall audit the financial and business operations of the Company in accordance with legal acts of the Russian Federation on the basis of the contract entered into with the external auditor.
- 27.2 The General Meeting of Shareholders shall approve the external auditor of the Company. The amount of consideration for its services shall be determined by the Board of Directors of the Company.

Article 28. Books, Accounts and Documents of the Company

- 28.1 The Company shall keep its books and records and submit financial statements in the manner determined under the Federal Law “On Joint Stock Companies”, other legal acts of the Russian Federation and Internal Regulations and Accounting and Reporting Internal Regulations.
- 28.2 The authenticity of the data contained in the annual report of the Company and annual books and accounts shall be verified by the internal audit commission of the Company.
- 28.3 The annual report of the Company shall be subject to prior approval by the Board of Directors no later than thirty (30) days prior to the annual General Meeting of Shareholders.
- 28.4 The General Director shall be responsible for the organization, condition and authenticity of the Company’s books and records and for the prompt submission of the annual report and other financial documentation to the competent authorities and for the date provided to the shareholders, creditors and the mass media.
- 28.5 The Company shall keep the following documents:
- the agreement on the establishment of the Company;
 - the Company charter, duly registered amendments and additions to the Company charter, the resolution on the establishment of the Company and the document evidencing the Company’s state registration;

- documents evidencing the Company’s rights to the property reflected on its balance sheet;
- Company’s internal regulations;
- regulations of the Company’s branches or representative offices;
- annual reports;
- books and accounts;
- accounting statements;
- minutes of General Meetings of Shareholders and of meetings of the Board of Directors and the internal audit commission of the Company;
- voting ballots and proxies (copies of proxies) for participation in the General Meeting of Shareholders;
- reports of independent appraisers;
- lists of the Company’s affiliates;
- lists of those entitled to take part in the General Meeting of Shareholders and those entitled to receive dividends and other lists drawn up by the Company for the exercise by the shareholders of their rights in accordance with the requirements of the Federal Law “On Joint Stock Companies”;
- opinions of the internal audit commission of the Company, the Company auditor and government and municipal financial supervision authorities;
- prospectuses, issuer’s quarterly reports and other documents containing information to be published or otherwise disclosed in accordance with the Federal Law “On Joint Stock Companies” and other federal laws; and
- other documents provided for under the Federal Law “On Joint Stock Companies”, this charter, the Company’s internal regulations, resolutions of the General Meeting of Shareholders, the Board of Directors and the General Director and documents provided for under legal acts of the Russian Federation.

28.6 The Company shall keep the documents provided for under Article 28.5 hereof at the location of its executive body in the manner and for the periods determined by the federal executive authority in charge of the securities market.

Article 29. Disclosure by the Company

29.1 Information about the Company shall be disclosed by it in accordance with the requirements of the Federal Law “On Joint Stock Companies” and other legal acts of the Russian Federation.

29.2 A shareholder/s of the Company holding, in aggregate, at least twenty five percent (25%) of the Company’s voting shares shall have the right of access to the Company’s documents, including supporting accounting records.

Article 30. Reorganization of the Company

- 30.1 The Company may be voluntarily reorganized by way of merger, accession, division, spinoff or transformation in the manner provided for under the Federal Law “On Joint Stock Companies”.
- 30.2 With the exception of instances of reorganization in the form of accession, the Company shall be deemed reorganized as of the moment of state registration of the newly established legal entities. In the event the Company is reorganized by way of accession to it of another company, the Company shall be deemed reorganized as of the moment the entry on the termination of the operation of acceded company is made in the Unified State Register of Legal Entities.

Article 31. Liquidation of the Company

- 31.1 The Company may be liquidated voluntarily in the manner established under federal law and this charter.

The Company shall be liquidated judicially on grounds provided for under the Civil Code of the Russian Federation.

- 31.2 In the event of the Company’s liquidation the Board of Directors shall submit to the General Meeting of Shareholders for approval the matter of the Company’s liquidation and the appointment of a liquidation commission in accordance with the requirements of paragraph 4 of Article 21 of the Federal Law “On Joint Stock Companies”.

As of the moment of its appointment, the liquidation commission shall assume all the rights to manage the affairs of the Company. The liquidation commission shall represent the Company in court.

- 31.3 The procedure for the liquidation of the Company and for the distribution of the property left after the completion of settlements with the creditors shall be determined under the Federal Law “On Joint Stock Companies”.
- 31.4 The liquidation of the Company shall be deemed completed and the Company shall be deemed to no longer exist as of the moment the relevant entry is made in the Unified State Register of Legal Entities.