

APPROVED

by resolution of the annual General Shareholders Meeting of JSC «Gazprom» dated 28 June 2002, minutes № 1, with amendments and supplements made by resolution of the annual General Shareholders Meeting of JSC «Gazprom» dated 24 June 2005, minutes № 1, by resolution of the annual General Shareholders Meeting of JSC «Gazprom» dated 27 June 2008, minutes № 1, by resolution of the annual General Shareholders Meeting of JSC «Gazprom» dated 27 June 2014, minutes № 1

REGULATION on JSC «Gazprom» Board of Directors

The present Regulation is elaborated in compliance with the valid laws and regulations of the Russian Federation, the Articles of Association of JSC «Gazprom» (hereinafter referred to as “the Company”) and the Company's basic principles of corporate governance aimed at the enhancement of efficiency and transparency of the Company's internal governance mechanisms, improvement of the system of control over and accountability of its management bodies and observance of rights of shareholders.

1. General Provisions

1.1. The Board of Directors shall exercise general governance of the Company activities, with the exception of decisions on the issues that in compliance with the Federal Law "On Joint-Stock Companies" pertain to the authority of the General Shareholders Meeting.

1.2. The Board of Directors shall secure the implementation by the Company of its goals and objectives, stipulated by the Company Articles of Association

1.3. The main objectives of the Board of Directors shall be to determine the Company's development strategy, aimed at increase of its capitalization and investment attractiveness, to establish principles of the Company assets management, to secure effective system of control within the Company over the results of its financial and business activities.

1.4. The Board of Directors shall exercise its activities in compliance with the valid laws and regulations of the Russian Federation, the Company Articles of Association, resolutions of the General Shareholders Meeting, the present Regulation and other internal Company documents approved by the Board of Directors.

1.5. The Board of Directors shall act for the benefit of the Company and its shareholders and shall be accountable to the General Shareholders Meeting.

2. Scope of Authority of the Board of Directors

2.1. The scope of authority of the Board of Directors is stipulated by the Federal Law "On Joint-Stock Companies" and the Company Articles of Association.

The scope of authority of the Board of Directors shall include decisions on the issues of the Company general governance with the exception of the issues that under the Federal Law "On Joint-Stock Companies" deemed to the scope of authority of the General Shareholders Meeting.

Following issues shall pertain to the scope of authority of the Board of Directors:

1) defining of priority guidelines of the Company activities; approval of perspective plans and programs of the Company activities, including the Company's annual budget and investment programs;

2) convening of annual and extraordinary General Shareholders Meetings with the exception of cases specified in clause 8 of the article 55 of the Federal Law "On Joint-Stock Companies";

3) approval of the General Shareholders Meeting agenda;

4) setting the date for drawing up of the list of individuals entitled to participate in the General Shareholders Meeting; preliminary approval of the Company's annual report and other issues that pertain to the scope of authority of the Company Board of Directors in accordance with the provisions of the section VII and other provisions of the Federal Law "On Joint-Stock Companies" and related to the preparation and holding of the General Shareholders Meeting;

5) rendering of decision on the increase of the Company charter capital by way of placement of supplement shares within the limits of quantity and classes (types) of authorized shares, with the exception of instances where such decision pertains to the scope of authority of the General Shareholders Meeting in compliance with the Federal Law "On Joint-Stock Companies";

6) placement of additional shares for conversion of preferred shares of a certain type placed by the Company, convertible into common shares or preferred shares of other types, if such placement is not associated with an increase in the charter capital of the Company, as well as placement of bonds or other issue-grade securities, except for shares;

7) assessment of property price (monetary valuation), issue-grade securities placement price, or a procedure for its determination, and repurchase price in instances stipulated by the Federal Law «On Joint-Stock Companies»;

8) acquisition of stocks, bonds and other securities placed by the Company in instances stipulated by the Federal Law "On Joint-Stock Companies";

9) formation of the Company's executive bodies and termination of their powers before due date; establishment of the amount of remuneration and compensation payments for the Chairman of the Management Committee and members of the Management Committee; approval for their concurrently holding positions in the management bodies of other organizations;

10) approval upon recommendation of the Chairman of the Management Committee, of appointment and dismissal of deputies to the Management Committee Chairman;

11) recommendations on the amount of remuneration and compensation to be paid to the members of the Audit Commissions and determining the rate of the fee to be paid to the Company auditor;

12) recommendations on the amount of dividend on shares and the procedures for payment thereof;

13) use of reserve fund and other funds of the Company;

14) approval of the Company's internal documents with the exception of the documents, the approval of which in compliance with the Federal Law "On Joint-Stock

Companies" pertains to the authority of the General Shareholders Meeting, as well as other internal documents, the approval of which pertains to the authority of the Company executive bodies in accordance with the Company Articles of Association;

15) formation of Company branches, opening of representative offices, liquidation thereof, and introduction of according amendments to the Company Articles of Association;

16) approval of major transactions in the instances specified by the Chapter X of the Federal Law "On Joint-Stock Companies";

17) approval of transactions specified by Chapter XI of the Federal Law "On Joint-Stock Companies";

18) establishing of transactions conclusion procedures;

19) establishing of the procedures for cooperation of the Company with business companies and organizations where the Company owns stocks and shares and rendering of decisions on the issues that pertain to the authority of the Board of Directors in accordance with these procedures;

20) approval of the Company registrar and the conditions of the contract as well as termination of contract therewith;

21) formation of the Company committees and commissions, approval of the member lists thereof and regulations thereon;

22) rendering of decisions on the Company participation and on termination of the Company participation in other organizations (with the exception of organizations specified in sub-clause 18 of clause 1 of article 48 of the Federal Law "On Joint-Stock Companies");

22.1) Filing applications for listing of shares of the Company and/or issue-grade securities of the Company convertible into shares of the Company;

23) other issues of the Company activities.

2.2. Issues that pertain to the authority of the Board of Directors may not be transferred for rendering of decision thereon to the Management Committee or the Chairman of the Management Committee.

2.3. The Board of Directors shall act with provision for special considerations stipulated by the valid laws and regulations for joint-stock companies with 25% of stocks owned by the state.

2.4. In accordance with its scope of authority the Board of Directors shall determine strategy, policy and basic principles of the Company activities including those related to investment, borrowing, risk management, property disposal and other spheres of activities as well as exercises control over implementation thereof.

3. Composition and Authority Term of the Board of Directors

3.1. In accordance with the resolution of the General Shareholders Meeting, the Board of Directors shall consist of 11 persons. By resolution of the General Shareholders Meeting other quantitative of the Board of Directors may be established.

3.2. Only individual persons who may be or may be not the Company shareholders shall be entitled to be members of the Board of Directors.

3.3. Members of the Company Management Committee may not constitute more than one quarter of the Board of Directors members.

3.4. Members of the Board of Directors may not be members of the Company the Audit Commission.

3.5. A person who exercises the functions of the Chairman of the Company Management Committee may not simultaneous be the Chairman of the Company Board of Directors.

3.6. Members of the Board of Directors shall be elected by the General Shareholders Meeting for the term until the following annual General Shareholders Meeting. In the event that the General Shareholders Meeting was not held in time limits established by the Company Articles of Association, authority of the Board of Directors shall be terminated with the exception of the authority to prepare, convene and hold the annual General Shareholders Meeting.

3.7. In the event of withdrawal of a member of the Board of Directors, authority of other Board of Directors members shall not be terminated with the exception of instances specified in clause 9.4 of the present Regulation.

Members of the Board of Directors who voluntarily resigned, deceased as well as those who do not have possibility to exercise their duties shall be deemed withdrawn.

Members of the Board of Directors shall be deemed withdrawn from the date following the receipt of the voluntary resignation letter of the Board of Directors member by the Chairman of the Board of Directors; or from the date of decease of the member of the Board of Directors confirmed by relevant documents; or from the date of receipt by the Company of documents confirming impossibility for the member of the Board of Directors of performing the duties thereof.

3.8. Termination of the authority of the Board of Directors members shall be possible on the resolution of the General Shareholders Meeting with regard to all the members of the Board of Directors only.

4. The Board of Directors Chairman and Deputy Chairman

4.1. The Board of Directors Chairman and Deputy Chairman shall be elected by the members of the Board of Directors from among their number by the majority of votes against the total number of votes of the elected members of the Board of Directors.

4.2. The Board of Directors shall be entitled at any time to re-elect its Chairman or Deputy Chairman by qualified majority of votes – not less than two thirds of the total number of votes of the elected members of the Board of Directors.

4.3. The Chairman of the Board of Directors shall organize its work; convene meetings of the Board of Directors and preside at them; at meetings the Chairman shall arrange for the keeping of minutes; preside at the General Shareholders Meeting; on behalf of the Company sign contracts with the Chairman and members of the Management Committee; shall exercise other functions stipulated by the Company's Articles of Association and present Regulation.

4.4. In the event of absence of the Board of Directors Chairman, his duties shall be performed by the Deputy Chairman of the Board of Directors; in the event of absence of the Chairman and the Deputy Chairman – any member of the Board of Directors according to the decision of the Board of Directors.

5. Rights, Duties and Responsibilities of the Board of Directors Members

5.1. When exercising their rights and executing their duties members of the Board of Director must act for the benefit of the Company; must exercise their rights and execute their duties reasonably and in good faith; must not disclose confidential information or documents that come to their knowledge and that constitute professional or commercial secret.

5.2. Members of the Board of Directors shall be entitled to familiarize themselves with regulatory, registration, accounting, financial and other documents and materials of the Company, including full auditors reports, minutes of the Company Management Committee meetings, necessary for resolution of issues that pertain to the scope of authority of the Board of Directors, as well as to request from the Board of Directors Chairman other information that relates to the Company activities.

The Chairman of the Board of Directors shall provide the requested documents within 5 calendar days from the date of the request receipt.

5.3. On the resolution of the General Shareholders Meeting remuneration and/or compensation of expenses related to the exercise of the functions of the Board of Directors may be paid to the members of the Board of Directors during the period of exercise the duties thereof. The amount of such remunerations and compensations shall be established by resolution of the General Shareholders Meeting.

5.4. Members of the Board of Directors must be guided in their activities by the laws and regulations of the Russian Federation, the Company Articles of Association, resolutions of the General Shareholders Meeting, the present Regulation and internal documents of the Company approved by the Board of Directors.

5.5. Members of the Board of Directors must not use their position and information that comes to their notice for their personal benefit as well as to admit of the use thereof for personal benefit by other individuals.

5.6. Members of the Board of Directors must participate in the meetings of the Board of Directors in their own persons. If attendance is impossible, a member of the Board of Directors shall inform the Board of Directors thereof with an indication of reasons. Concurrently, a member of the Board of Directors may send in writing an opinion with regard to the agenda in accordance with the present Regulation.

5.7. Members of the Board of Directors shall be bound to bring to the notice of the Board of Directors, the Audit Commission and the auditor the information on the following:

- legal entities where they own whether alone or together with their affiliate(s) 20 or more percent of voting stocks (shares, equities);
- legal entities where they hold positions in the executive organs thereof;
- any transactions known to them whether being concluded or proposed where they may be deemed interested party.

Said information must be brought to the notice of the Board of Directors, the Audit Commission and the Company auditor within 5 calendar days from the incurrance of such circumstances.

Interest of a member of the Board of Directors shall be established in accordance with article 81 of the Federal Law "On Joint-Stock Companies".

5.8. Members of the Board of Directors shall bear responsibility to the Company for losses caused to the company by their guilty activity (inactivity) if other basis and amount are not established by federal laws.

Members of the Board of Directors who voted against a decision that incurred losses for the Company, or who did not participate in voting shall not bear responsibility to the Company.

6. Secretary (Executive Secretary) of the Board of Directors

6.1. In order to provide the activities of the Board of Directors, its committees and commissions, the Chairman of the Board of Directors on agreement with the Chairman of the Company Management Committee shall approve a Secretary (Executive Secretary) of the Board of Directors, forms the Board of Directors Secretariat as well as determines requirements for organizational and technical provision of the Board of Directors activities.

6.2. The Secretary (Executive Secretary) of the Board of Directors shall do the following:

- arrange for the preparation of the draft work plan of the Board of Directors;
- receive requests and send notifications with regard to the convocation of the Board of Directors meeting;
- dispatch ballots, documents and materials for the Board of Directors meetings in accordance with clause 8.8 of the present Regulation;
- receive ballots completed by the members of the Board of Directors;
- keeps minutes of the Board of Directors meetings and prepares absentee voting protocols;
- exercises other functions in accordance with the present Regulation, the Company internal documents and assignments from the Chairman of the Board of Directors.

6.3. The date of the receipt of the documents and materials stipulated by the present Regulation by the Secretary (Executive Secretary) of the Board of Directors shall be deemed the date of receipt thereof by the Board of Directors.

7. Work Plan of the Board of Directors

7.1. The meetings of the Board of Directors shall be held on the basis of the work plan thereof that shall be formed in accordance with the proposals of the Board of directors Chairman and Deputy Chairman, members of the Board of Directors, the Management Committee, the Chairman of the Management Committee, the Audit Commission and the Company auditor.

7.2. Proposals for the work plan of the Board of Directors shall be submitted not later than 30 calendar days prior to the start of the planned period (half year, year).

Proposal on the inclusion of an item to the work plan of the Board of Directors must include the following:

- information on a person (body) who submits the proposal;
- formulation of issues proposed for consideration of the Board of Directors;
- motivation for raising said issues;
- proposed time limits for the consideration of the issues;
- signature of the person (head of the body) who submits the proposal

7.3. Control over the preparation of the work plan shall be exercised by the Chairman of the Board of Directors.

7.4. The work plan shall be approved by the Board of Directors upon the recommendation of the Chairman of the Board of Directors.

8. Convocation of the Board of Directors Meetings

8.1. A meeting of the Board of Directors shall be convened by the Chairman of the Board of Directors in accordance with the approved work plan of the Board of Directors, as well as on his own initiative, on request of a member of the Board of Directors, the Management Committee, the Chairman of the Management Committee, the Audit Commission and the Company auditor.

8.2. Request on the convocation of a meeting of the Board of Directors must include the following:

- information on a person (body) who submits the request;
- formulation of the issues of the meeting agenda;
- motivation for raising said issues;
- documents and other materials required for the consideration of the issues;
- signature of the person (head of the body) who requests the convocation of the meeting;

8.3. The person who submits the request may propose the date of the meeting of the Board of Directors and the draft of resolution on the respective issue of the agenda.

Request for the convocation of the meeting, that includes the date of the meeting shall be submitted to the Board of directors not later than 30 days prior to the proposed date with the exception of the requests on the issues of urgent nature.

8.4. Within 5 days calendar days from the date of the submission of the request on the convocation of the Board of Directors meeting the Chairman of the Board of Directors shall render one of the following decisions:

- on convocation of the meeting of the Board of Directors (inclusion of an issue in the agenda of the regular meeting) within 30 days if other time limits for the resolution on the submitted issues is not established by valid laws and regulations;
- on refusal to convene the meeting;

and informs members of the Board of Directors, the Chairman of the Management Committee and the person (head of the body) who submitted the request thereof.

8.5. The Chairman of the Board of Directors shall be entitled to refuse to convene the Board of Directors meeting if the request is submitted by a person without authority or does not pertain to the scope of authority of the Board of Directors, as well as if the request on the convocation of the Board of directors meeting does not include information stipulated by clause 8.2 of the present Regulation.

8.6. In compliance with the Federal Law "On Joint-Stock Companies" the Chairman of the Board of Directors is bound to convene the Board of Directors meeting for the following:

- consideration of proposal of shareholders on inclusion of issues in the agenda of the annual General Shareholders Meeting and nomination of candidates for the executive and control bodies of the Company;

- rendering of decisions on convocation of the annual General Shareholders Meeting and other decisions with regard to the convocation and holding thereof stipulated by the Federal Law "On Joint-Stock Companies", the Company Articles of Association and the Regulation on the General Shareholders Meeting of the Company;

- approval of the Company's annual report

- convocation of an extraordinary General Shareholders Meeting for the election of new members of the Board of Directors and/or forming of the Company Management Committee with the authority to render decisions in the instances where the quantity of members of these bodies does not provide quorum for rendering of decisions.

8.7. Agenda of a regular meeting of the Board of Directors shall be formed and approved by the Chairman of the Board of Directors on the basis of the Board of Directors work plan as well as requests of individuals (bodies) for convocation of said meeting, submitted in accordance with the valid laws and regulations and the present Regulation.

The draft of the agenda shall be sent to the Chairman of the Management Committee not later than 20 calendar days prior to the meeting date, and in the absence of proposals from him upon the expiry of 3 calendar days from the date the draft agenda was sent, the said shall be approved by the Chairman of the Board of Directors.

8.8. Not later than 7 calendar days prior to the date of the Board of Directors meeting the Chairman of the Board of Directors shall send individual notifications in writing on the convocation of the Board of Directors to all the members of the Board of Directors with the indication of the following:

- date, venue and time of the meeting (in case of meeting in person);

- list of persons invited for the meeting (in case meeting in person);

- items of the meeting agenda.

The following shall be appended to the notification:

- drafts of the resolutions of the Board of Directors;

- motivation of the necessity of rendering of proposed decisions;

- documents and other information materials;

- ballots for voting (in case of the meeting by way of absentee voting) with the indication of the date of submission of a completed ballot to the Board of Directors.

Written notifications shall be sent to the members of the Board of Directors by way of absentee, facsimile, telegraph, teletype, electronic or other means of communication.

8.9. The draft of the resolution of the Board of Directors and materials of confidential nature that contain information that constitute commercial or professional secret shall be submitted for the consideration of the Board of Directors marked as "confidential".

8.10. The procedures for preparation and submission of materials to the Board of Directors meetings shall be established by the internal document of the Company approved by the Board of Directors.

9. Procedures for Conducting of Meetings of the Board of Directors and Rendering of Decisions

9.1. The Chairman of the Board of Directors shall arrange for the procedures for the meetings of the Board of Directors in accordance with the agenda.

Regulations for the meetings of the Board of Directors shall be established by the Chairman of the Board of Directors.

9.2. Members of the Company executive bodies, of the Company the Audit Commission, state authority bodies officials, persons who prepare information and materials with regards to the issues considered at the meeting, employees of the Company and its subsidiary companies and other persons may be called to attend the meeting.

9.3. The person presiding at the meeting shall provide order and observance of the meeting procedures, constructive and practical way of consideration of the issues on the agenda, observance of rights of the Board of Directors members for the discussion thereof.

As appropriate, the Board of Director may announce a break in the meeting for no more than 3 calendar days. In the specified time the meeting must be continued with the same agenda.

Upon completion of consideration of each of the agenda items, the person presiding at the meeting shall announce the results of voting and the resolution made on each issue.

9.4. A quorum for the meeting of the Board of Directors on the items of the agenda decisions of which are rendered by the majority of votes of the Board of Directors members who participate in the meeting shall be more than half of the number of elected members of the Board of Directors.

In the event that the number of the Board of Directors members becomes less than the said quorum, the Board of Directors shall be bound to render decision to convene an extraordinary General Shareholders Meeting in order to elect new members of the Board of Directors.

9.5. Decisions at the meeting of the Board of Directors shall be rendered by the majority of votes of the Board of Directors members participating in the meeting (simple majority) unless stipulated otherwise by the Federal Law "On Joint-Stock Companies".

With regard to the agenda items, decisions on which are rendered by the simple majority of votes, when the quorum and the results of voting on the agenda items are determined, a written opinion of a Board of Directors member absent from the meeting may be taken into account if the following conditions are concurrently observed:

- the written opinion on this issue was received by the Board of Directors before the start of the meeting;

- the Board of Directors member have unambiguously determined his position with regards to the issue, having stated in the written opinion whether he votes in favor or against the proposed draft of decision or abstains from rendering decision;

- no less than 3 members of the Board of Directors attend the meeting in person.

A written opinion that contains amendments and reservations with regard to the proposed draft of the decision shall not be taken into account when the quorum and the results of voting are determined. If the amendments to the draft of the decision were introduced at the Board of Directors meeting, the written opinion shall not be taken into account when the quorum and the results of voting are determined.

In the event that the written opinion was not sent to the members of the Board of Directors together with the meeting notification, the person presiding at the meeting shall announce the written opinion at the meeting.

Written opinions shall be taken into account when the quorum and the results of voting are determined on each issue individually which fact shall be documented in the minutes of the meeting.

When the quorum and the results of voting are determined on the issues, for the decision on which qualified majority of votes or unanimity is stipulated, it shall be deemed impermissible to take into account written opinions.

9.6. Decisions of the Board of Directors shall be rendered unanimously, meaning by all the elected members of the Board of Directors, with regard to the following issues:

- on submission for consideration of the General Shareholders Meeting as well as on inclusion in the agenda of the General Shareholders Meeting of issues related to the Company reorganization or liquidation of the Company and appointment of a liquidation commission;

- on effecting a major transaction the object of which is property with the cost constituting 25 through 50 percent of the book value of the Company assets as of the date of rendering of decision to effect such transaction;

- on increase of the Company chapter capital by way of placement of supplement shares within the limits of the quantity of authorized shares.

In the event that the Company Board of Directors renders decisions that require unanimity, the votes of the withdrawn members of the Board of Directors shall not be taken into consideration.

9.7. The following issues shall require decisions rendered by the qualified majority of votes meaning not less than two thirds of votes of the members of the Board of Directors:

- on refusal to convene an extraordinary General Shareholders Meeting;

- on refusal to include an issue in the agenda of the General Shareholders Meeting or to include a candidate in the candidate list for the voting on the elections for the Company Board of Directors and the Audit Commission in the instances specified by clauses 6 of article 55 and clause 5 of article 53 of the Federal Law "On Joint-Stock Companies" accordingly;

- on re-election before due date of the Board of Directors Chairman and/or Deputy Chairman.

In the event that the Company Board of Directors renders decisions that require qualified majority of votes, the votes of the withdrawn members of the Board of Directors shall not be taken into consideration.

9.8. Decisions on approval by the Company of an interested party transaction and on determination of the market price of the property or services to be alienated or purchased,

shall be rendered by the Board of Directors by the majority of votes of independent directors who are not interested parties in the transaction.

A member of the Board of Directors who complies with requirements specified in clause 3 of article 83 of the Federal Law "On Joint-Stock Companies" shall be deemed an independent director.

In the event that all of the members of the Board of Directors are deemed to be interested parties and/or are not independent directors, the transaction may be submitted for consideration to the General Shareholders Meeting on the decision of the Board of Directors.

9.9. Decisions of the Board of Directors that require unanimity or qualified majority of votes shall be rendered only at the Board of Directors meetings with the personal attendance of the members of the Board of Directors by voting in person.

Other decisions may be rendered by absentee voting (by way of polling).

9.10. Members of the Board of directors must personally participate in the meetings. Assignment by members of the Board of Directors of their representatives for participation in the meeting of the Board of Directors or for signing a ballot when the decision is rendered by way of polling, of any other person including another member of the Board of Directors shall be deemed impermissible.

9.11. Each member of the Board of Directors shall be entitled to one vote with the exception of events specified in clause 9.8 of the present Regulation. Transfer of the right to vote by a member of the Board of Directors to another person including another member of the Board of Directors shall be deemed impermissible.

In the event of equally divided votes of the members of the Board of Directors, the vote of the Chairman of the Board of Directors shall be deemed decisive.

Deputy Chairman of the Board of Directors or another member of the Board of Directors exercising the functions of the Chairman of the Board of Directors in the absence thereof shall not be entitled to have decisive vote at the meetings of the Board of Directors.

10. Procedures for Absentee Voting

10.1. Decisions of the Board of Directors that in compliance with the Company Articles of Associations shall be rendered by the simple majority of votes of the Board of Directors members may be rendered by absentee voting (by way of polling).

10.2. Decision on the conduct of the absentee voting is rendered by the Chairman of the Board of Directors.

10.3. To conduct an absentee voting, notifications on the absentee voting complying with the stipulations of clause 8.8 of the present Regulation, shall be sent to all the members of the Board of Directors.

Voting ballots must include the date of submission of the completed ballot to the Board of Directors.

Notifications on the absentee voting shall be sent to the members of the Board of Directors not later than 7 days prior to the established date of the ballot submission to the Board of Directors.

10.4. Completed ballots signed in person by the members of the Board of Directors shall be submitted to the Secretary (Executive Secretary) of the Board of Directors.

10.5. Members of the Board of Directors whose ballots are received by the Board of Directors before the ballot submission date stated in the ballot shall be deemed as those who participated in the voting.

10.6. A ballot may be deemed invalid completely or partly on individual issues in the event of presence of any signs in more than one box of possible options of voting on the issue or the absence on the ballot of the signature of the voting member of the Board of Directors, as well as in case the ballot includes amendments and/or reservations with regard to the proposed draft of decision.

10.7. Following the results of the voting a protocol shall be drawn up in compliance with section 11 of the present Regulation.

11. Procedures for Documenting of the Decisions of the Board of Directors

11.1. At the meeting of the Board of Directors the Secretary (Executive Secretary) shall keep minutes.

The minutes of the meeting of the Board of Directors shall be drawn up not later than 3 days after the date of the meeting.

Following items shall be indicated in the minutes:

- the venue and the time of the meeting;
- persons who attended the meeting;
- agenda of the meeting;
- issues put to vote and results of voting thereon;
- decisions rendered.

The minutes of the Board of Directors meeting shall be signed by the person presiding at the meeting who shall bear responsibility for the correctness of the drawing up of the minutes.

11.2. In the event that decisions are rendered by the Board of Directors by absentee voting, following items shall be indicated in the minutes of the meeting (absentee voting):

- the date of drawing up of the minutes;
- members of the Board of Directors who have submitted signed voting ballots;
- agenda;
- issues put to vote and results of voting thereon;
- decisions rendered.

The minutes of the meeting (absentee voting) shall be drawn up not later than 3 days after the date established for the submission of completed ballots.

The minutes of the meeting shall be signed by the Chairman of the Board of Directors. Voting ballots signed by the members of the Board of Directors shall be appended to the minutes.

11.3. On the basis of the minutes the Chairman of the Board of Directors shall sign the decisions of the Board of Directors. Certified copies of the minutes and the resolutions shall be sent or handed to the members of the Board of Directors and the Chairman of the Management Committee.

11.4. Minutes of the meetings and decisions of the Board of Directors shall be submitted to the Audit Commission and the Company auditor on their requests.

12. Disclosure of Information on the Activities of the Board of Directors

12.1. Minutes of the meetings of the Board of Directors shall be accessible for familiarization in the premises of the Company executive body to any shareholder within 7 days from the date of submission to the Board of Directors of respective request in writing.

12.2. Following the results of the meetings of Board of Directors information for the press may be released in accordance with the procedures established by the Company Internal documents.

13. The Board of Directors Committees and Commissions

13.1. For the purpose of provision of well-founded and effective decisions the Board of Directors shall create committees on audit, appointments and remunerations and other temporary and permanent committees and commissions.

13.2. The main functions of the committees shall be preliminary and profound study of the issues that pertain to the scope of authority of the Board of Directors according to the areas of their activities and elaboration of recommendation for the Board of Directors.

13.3. Committees of the Board of Directors shall be formed and act in compliance with the regulations on the committees approved by the Board of Directors, and shall be guided in their activities by the valid laws and regulations of the Russian Federation, by the Company Articles of Association and decisions of the Company executive bodies.

13.4. Commissions of the Board of Directors shall be formed in order to study individual areas of activities and the projects of the Company.

14. Final Provisions

14.1. The present Regulation shall come into effect from the date of its approval by the General Shareholders Meeting.

14.2. In the event that individual norms of this Regulation should contravene with the valid laws and regulations of the Russian Federation and/or the Articles of Association of the Company, they shall lose effect and respective norms of the valid laws and regulations of the Russian Federation and/or of the Articles of Association of the Company shall apply. Invalidity of individual norms of the present Regulation does not entail invalidity of other norms and of the Regulation as a whole.