

Article 79. Major transaction approval or post factum approval procedure

1. The Company's Board of Directors (Supervisory Board) or the General Shareholders Meeting shall approve a major transaction in accordance with this Article.
2. The resolution to approve or to approve post factum of a major transaction for the property valued at 25 per cent to 50 per cent of the Company's assets book value shall be adopted by all Members of the Company's Board of Directors (Supervisory Board) unanimously, without taking into account the votes of the exiting Members of the Company's Board of Directors (Supervisory Board).

If the Company's Board of Directors (Supervisory Board) unanimity as to approval or post factum approval of a major transaction is not reached, the approval or post factum approval of the major transaction may be referred, by decision of the Company's Board of Directors (Supervisory Board), to the General Shareholders Meeting for resolution. In this case, the General Shareholders Meeting shall adopt the resolution to approve or to approve post factum of the major transaction by a majority of votes of the shareholders holding voting shares, who take part in the General Shareholders Meeting.

3. The resolution to approve or to approve post factum of a major transaction for the property valued at over 50 per cent of the Company's assets book value shall be adopted by the General Shareholders Meeting by the three fourths majority of votes of the shareholders holding voting shares, who take part in the General Shareholders Meeting.
4. As regards the resolution to approve or to approve post factum of a major transaction for the property valued at over 50 per cent of the Company's assets book value as determined on the basis of the Company's accounting (financial) statements as of the most recent reporting date, such resolution lies within the exclusive competence of the General Shareholders Meeting and cannot be referred to the competence of other bodies of the Company by the Company's Articles of Association.

The resolution to approve or to approve post factum of a major transaction shall specify the person(s) being the party(ies) to the transaction, the beneficiary(ies), the major transaction price and subject, and other material conditions or their determination procedure.

It is allowed not to specify the party to the transaction and the beneficiary in the resolution to approve of a major transaction if the transaction is made by way of competitive bidding, as well as in other cases where the party to such transaction and the beneficiary cannot be determined by the moment the transaction is approved.

The provisions of Paragraph Three of this Clause do not apply to the transactions made by joint stock companies that are on the list of strategic enterprises and strategic joint stock companies approved by the Russian Federation Presidential Decree on Approving the List of Strategic Enterprises and Strategic Joint Stock Companies, nor do they apply to the transactions made by joint stock companies 50 per cent (or more) of which is owned by the Russian Federation and/or which are subject to the special right of the Russian Federation to participate in their management (golden share).

The resolution to approve of a major transaction may also contain minimum and maximum parameters of the transaction conditions (the upper price limit for the property purchase or the lower price limit for the property sale) or their determination procedure, the approval of entering into a series of similar transactions, alternative conditions of the transaction that requires approval, the approval of entering into a major transaction provided that

several transactions are entered into simultaneously.

The resolution to approve of a major transaction may specify the resolution's effective period. If the period is not specified in the resolution, the approval shall be deemed effective for one year from the date of its adoption, unless another period of time arises out of the essence and conditions of the major transaction approved, or out of the circumstances of granting the approval.

A major transaction may be entered into upon the condition precedent of obtaining approval of its conclusion in the manner established in the present Federal Law.

5. If a major transaction for the property valued at over 50 per cent of the Company's assets book value as determined on the basis of its accounting (financial) statements as of the most recent reporting date is a related party transaction and, in accordance with the present Federal Law, the major transaction approval has been submitted to the General Shareholders Meeting for consideration (Chapter XI of the present Federal Law), the major transaction approval resolution shall be deemed adopted if the number of votes required according to Article 49.4 of the present Federal Law and a majority of votes of all shareholders disinterested in the transaction, who hold voting shares and take part in the General Shareholders Meeting, has been given for it. If a major transaction for the property valued at 25 per cent to 50 per cent of the Company's assets book value as determined on the basis of its accounting (financial) statements as of the most recent reporting date is a related party transaction and, in accordance with the present Federal Law, the major transaction approval has been submitted to the General Shareholders Meeting for consideration (Chapter XI of the present Federal Law), the major transaction approval resolution shall be adopted in the manner envisaged in Chapter XI of the present Federal Law.

6. If the procedure established for approval of a major transaction was not duly observed in the course of making major transaction, such transaction can be recognized as invalid (Article 173.1 of the Civil Code of the Russian Federation) upon a claim of the Company, a Member of the Company's Board of Directors (Supervisory Board) or the Company's shareholder(s) jointly holding at least one per cent in the Company's voting shares. The limitation period for a request to recognize a major transaction invalid, if missed, shall not be reinstated.

6.1. A request to recognize a major transaction invalid, with regard to a major transaction made without due approval thereof, shall be dismissed by the court if at least one of the below circumstances is present:

- 1) evidence confirming a post factum approval of such transaction is presented by the time of trying the case in the court;
- 2) when the case is tried in the court, it is not proved that the other party to the transaction was aware, or must have been aware in advance, of the fact that the transaction was a major transaction for the Company and/or that the transaction was not duly approved.