

APPROVED BY

General Shareholders Meeting of
JSC Comstar – United Telesystems

Minutes № ____ of _____

**BYLAW ON THE GENERAL SHAREHOLDERS MEETING
of Joint Stock Company
COMSTAR – United TeleSystems**

Moscow
2006

Contents

1. General Provisions.....	3
2. Procedure for proposing issues for the agenda of the annual General Shareholders Meeting, nomination of candidates to elected bodies, demand to hold an extraordinary meeting, consideration of proposals and demands by the Board of Directors.....	4
3. Preparation for a General Shareholders Meeting.....	6
4. Compilation of the list of persons entitled to participate in the General Shareholders Meeting.....	8
5. Shareholder's rights to attend a General Shareholders Meeting and procedure for their confirmation at the time of registration.....	9
6. Bodies of a General Shareholders Meeting.....	11
7. Quorum of a General Shareholders Meeting. Re-convocation of a Shareholders Meeting	11
8. Procedure for conduct of a General Shareholders Meeting.....	12
9. Vote counting and formalizing the voting results.....	13

1. GENERAL PROVISIONS

1.1. This Bylaw determines, in accordance with the Civil Code of the Russian Federation, the Federal Law on Joint-Stock Companies, other regulatory acts of the Russian Federation and the Charter of the Company, the procedure of preparation, convocation and holding of the General Shareholders Meeting of the Joint-Stock Company COMSTAR-United TeleSystems ("Company").

1.2. The General Shareholders Meeting is the supreme management body of the Company.

The competence of the General Shareholders Meeting shall be determined by the Russian Law. Matters, placed within the competence of the General Shareholders Meeting may not be delegated to the Board of Directors and the Executive Body of the Company for resolution. The General Shareholders Meeting shall not have the right to consider and make decisions on the matters, which are not placed within its competence.

1.3. The General Shareholders Meeting shall not have the right to make decisions on issues not included in the Agenda of the General Shareholders Meeting, nor change the Agenda.

1.4. The Company shall hold a General Shareholders Meeting annually. An annual General Shareholders Meeting shall be held not earlier than 2 months and not later than 6 months after the end of the fiscal year. The date of the annual General Shareholders Meeting shall be determined by the Board of Directors within the stated period.

The annual General Shareholders Meeting makes decisions on the following issues: election of the Board of Directors of the Company, election of the Audit Committee, approval of the auditor of the Company, approval of the annual reports, annual financial statements, including profit and loss statements (profit and loss accounts) of the Company and also the profit distribution (including payment (declaration) of dividends, except for the profit distributed as dividends according to the results of the first quarter, six months, nine months of the fiscal year) and losses of the Company based on the fiscal year results. The annual General Shareholders Meeting may also make decisions on other issues referred by the Russian Law to the competence of the General Shareholders Meeting.

1.5. All meeting other than the General Shareholders Meeting shall be considered as extraordinary meetings. An extraordinary General Shareholders Meeting shall be held by decision of the Board of Directors of the Company based on its own initiative, the demand of the Company's Audit Commission, Company's Auditor, as well as of the shareholder(s) holding not less than 10% of the voting shares of the Company as of the date the demand was presented. The convocation of an extraordinary General Shareholders Meeting on the demand of the Company's Audit Commission, Company's Auditor, or the shareholder(s) holding not less than 10% of the voting shares of the Company shall be made by the Board of Directors of the Company.

An extraordinary General Shareholders Meeting convened on the demand of the Company's Audit Commission, Company's Auditor, or the shareholder(s) holding not less than 10% of the voting shares of the Company, must be held within 40 days from the date the demand to hold an extraordinary General Shareholders Meeting was presented.

If the proposed agenda of the extraordinary General Shareholders Meeting contains an issue involving the election of the members of the Company's Board of Directors, such General Shareholders Meeting must be held within 70 days from the date the demand to hold an extraordinary General Shareholders Meeting was presented.

If within the period of time established by the Russian Law the Board of Directors fails to make the decision to call an extraordinary General Shareholders Meeting or the decision has been made to refuse the call thereof, an extraordinary General Shareholders Meeting may be called by the bodies and persons demanding the call thereof.

If the initiator of the meeting lacks the documents proving that he has applied to the Company with demand to call an extraordinary General Shareholders Meeting, this results in the impossibility to exercise the authorities necessary for the convocation and holding of an extraordinary General Shareholders Meeting.

If the register keeper (the Registrar) receives a demand from shareholders to submit the list of persons having the right to participate in the General Shareholders Meeting in view of

holding an extraordinary General Shareholders Meeting, the Registrar must make sure, on the basis of the documents submitted by the initiator or on the basis of the Registrar's request to the Board of Directors of the Company, that such demand has been received by the Company.

1.6. The General Shareholders Meeting shall be held in the form of a meeting (joint presence of the Company's shareholders for discussing the issues of the agenda and making decisions on the issues put to the vote).

A decision of the General Shareholders Meeting can also be made without holding a meeting, by way of voting in absentia.

The General Shareholders Meeting whose agenda includes the issues involving the election of the Board of Directors of the Company, election of the Audit Committee, approval of the auditor of the Company, approval of the annual reports, annual financial statements, including profit and loss statements (profit and loss accounts) of the Company and also the profit distribution (including payment (declaration) of dividends, except for the profit distributed as dividends according to the results of the first quarter, six months, nine months of the fiscal year) and losses of the Company based on the fiscal year results may not be held in the form of voting in absentia.

If the meeting is held in the form of a joint presence of the shareholders, the latter will exercise their right to participate in the management of the Company by means of sending to the Company a completed and signed ballot paper, personal participation (or participation through the representative) in work of the meeting, discussion of the issues under consideration and making decisions on them. Voting at the General Shareholders Meeting shall be conducted by ballots. The Company must send ballot papers or deliver such ballot papers against receipt to each person specified in the list of persons having the right to participate in the General Shareholders Meeting, in accordance with the procedure set in this Bylaw.

In case of the meeting in absentia (without holding a meeting, by way of conducting voting in absentia), the General Shareholders Meeting is held by way of sending ballot papers to the shareholders and counting the votes based on the completed ballots received from the shareholders.

2. PROCEDURE FOR PROPOSING ISSUES FOR THE AGENDA OF THE ANNUAL GENERAL SHAREHOLDERS MEETING, NOMINATION OF CANDIDATES TO ELECTED BODIES, DEMAND TO HOLD AN EXTRAORDINARY MEETING, CONDINATION OF PROPOSALS AND DEMANDS BY THE BOARD OF DIRECTORS.

2.1. Shareholders (a shareholder) holding in the aggregate not less than 2 per cent of the voting shares of the Company shall be entitled to propose issues to be included into the agenda of the annual General Shareholders Meeting and nominate persons to the Board of Directors, Audit Committee of the Company and the Counting Board of the Company within the number not exceeding the number of members of the respective bodies.

The proportion of voting shares held by the shareholder(s), who makes a proposal on inclusion of the issue into the agenda of the annual General Shareholders Meeting and/or proposal on nomination to the Company's bodies elected by the General Shareholders Meeting, shall be determined as of the date of making such proposal.

The proportion of voting shares held by the shareholder(s), who demands to hold an extraordinary General Shareholders Meeting (see cl.1.5 hereof), shall be determined as of the date of making such demand.

2.2. Proposals on inclusion of the issues into the agenda of the annual General Shareholders Meeting and proposals on nomination to the Company's bodies elected by the General Shareholders Meeting, may be made, and the demand to hold an extraordinary General Shareholders Meeting may be submitted by:

- sending by mail to the address (location) of the sole executive body of the Company, contained in the unified state register of legal entities: the Russian Federation, 119121 Moscow, Smolenskaya-Sennaya square, 27, bldg.2;
- delivery against receipt to the person performing the functions of the sole executive body of the Company, Chairman of the Company's Board of Directors, Company's Corporate

Secretary or any other person authorized to receive the written correspondence addressed to the Company.

2.3. The proposals (demands) stipulated in cl.2.2 hereof must be made (submitted) in writing stating the names (company names) of the shareholders (shareholder) who have submitted them, as well as the number and category (type) of shares held by them, and must be signed by the shareholder (shareholder) or their representatives. If the motion for the agenda of the General Shareholders Meeting or demand to hold an extraordinary General Shareholders Meeting is signed by the shareholder's representative, a power of attorney from the shareholders (shareholder) issued in accordance with the requirements set forth in cl.5.2 hereof, must be attached to such proposal (demand).

Proposals to include the issues into the agenda of the General Shareholders Meeting must contain the wording of each issue and may contain the wording of the resolution on the proposed issue.

Proposals on nomination must contain the name of each nominee, the name of the body to which the nominee is proposed to be elected. A nominee's written consent (if available) to stand for election may be attached to such proposal. Information about the availability or absence of the nominee's written consent to stand for election shall be brought to the notice of the persons who have the right to participate in the General Shareholders Meeting.

The demand to call an extraordinary General Shareholders Meeting must contain the wording of issues to be included into the agenda. The demand may contain the wording of the resolutions on each of the proposed issues and also the proposal regarding the form of holding the meeting.

2.4. Shareholders, whose right to shares is registered in the system of keeping the register of holders of Company's registered securities, shall not be obliged to provide a documentary proof of their rights when making a demand to hold an extraordinary General Shareholders Meeting, motions for the agenda of the annual General Shareholders Meeting, proposals on nominations to the elected management bodies. If motions for the agenda of the annual General Shareholders Meeting or demand to hold an extraordinary General Shareholders Meeting are signed by the shareholder (his representative), whose right to shares is registered on a DEPO account in the depository institution, a statement of a shareholder's DEPO account in the depository institution which registers the rights to the said shares, dated not more than three working days preceding the date of sending the respective demand, must be attached to such proposal (demand).

2.5. The responsibility to keep record of proposals received shall be vested in the Company's Corporate Secretary (or person replacing him, who in such case must be approved by the Board of Directors of the Company). The record is kept in the register (log-book) of the proposals received.

2.6. The Board of Directors of the Company shall be obliged to consider the received motions for the agenda or proposals on nomination to the Company's bodies, elected by the annual General Shareholders Meeting, and make a decision on whether to include them into the agenda or to refuse to do so not later than the 5th of February of the year following the accounting year.

The Board of Directors of the Company shall be obliged to consider the received demand to hold an extraordinary General Shareholders Meeting within 5 days from the date of its submission.

A reasoned decision of the Company's Board of Directors to refuse to include the proposed issue into the agenda or include the nominee in the list of nominees for voting in connection with election to the respective Company's body and also the decision to convene or the refusal to convene an extraordinary General Shareholder Meeting shall be sent by the Corporate Secretary to the shareholders (shareholder) or persons demanding to call an extraordinary General Shareholder Meeting, to include an issue into the agenda of the General Shareholders Meeting or include a nominee in the list of nominees for voting respectively, not later than three days from making such decision, to the addresses specified in the register of the Company's shareholders.

2.7. The decision of the Company's Board of Directors to refuse to call an extraordinary General Shareholder Meeting, include an issue into the agenda of the General Shareholders Meeting or include the nominee in the list of nominees for voting in connection with election to

the respective Company's body, and also failure of the Company's Board of Directors to make the decision may be appealed in court.

2.8. If no nominations to the elected bodies are made or if insufficient number of nominees for the establishment of the respective body is nominated by the deadline set for receiving proposals on the preparation of the General Shareholders Meeting, the Company's Board of Directors shall be entitled to include nominees into the list of nominees at its own discretion.

2.9. The Board of Directors of the Company shall be entitled at its own initiative to include for consideration at the annual and/or extraordinary General Shareholders Meeting, including the meeting held on the demand of the Company's Auditor, Audit Committee or the shareholder(s) of the Company, any issues placed within the competence of that body. After sending notifications to the persons entitled to participate in the General Shareholders Meeting the Agenda may not be changed.

2.10. The Company shall aim for making the wording of issues of the agenda and the decisions made such as to preclude ambiguity.

3. PREPARATION FOR A GENERAL SHAREHOLDERS MEETING.

3.1. When preparing for holding a General Shareholder Meeting, the Board of Directors of the Company or the persons, who have the authority to call and hold a General Shareholders Meeting, shall by their decision determine:

- the form of holding the General Shareholders Meeting (a meeting or voting in absentia);
- date, time, venue of holding the General Shareholders Meeting;
- time when the registration of persons attending the General Shareholders Meeting begins;
- mailing address for sending ballot papers and the date when the company stops to accept ballot papers;
- date of compilation of the list of persons entitled to participate in the General Shareholders Meeting;
- agenda of the General Shareholders Meeting;
- proposals to the General Shareholders Meeting regarding resolutions on individual issues of the agenda;
- procedure of informing shareholders on holding the General Shareholders Meeting;
- list of information (materials) on the agenda items and procedure of its provision to shareholders and their representatives;
- form and text of a ballot paper.

3.2. The shareholders (their representatives) shall have unrestricted access to the premises where the General Shareholders Meeting is held. The time of holding the General Shareholders Meeting may not be set earlier than 9 a.m. and later than 10 p.m. Moscow time.

Registration of participants of the General Shareholders Meeting shall be made on the day of holding the meeting.

The mailing address to which the shareholders shall be entitled to send completed and signed ballot papers shall be as follows: 119121, Moscow, Smolenskaya-Sennaya Square, 27, bldg.2. Ballot papers shall be sent to the Corporate Secretary.

The notice of holding the General Shareholders Meeting shall be sent to persons stipulated in the list of persons entitled to participate in the General Shareholders Meeting by registered mail or shall be delivered to them in person against receipt not later than:

- 40 days before the date of holding the meeting, if the agenda of the General Shareholders Meeting includes the issue involving reorganization of the Company;
- 50 days before the date of holding the meeting, if the agenda of the extraordinary General Shareholders Meeting includes the issue involving the election of the Board Directors;
- 30 days – in all other instances.

Information about the forthcoming General Shareholders Meeting shall be placed on the Company's site in the Internet.

3.3. Information about holding the General Shareholders Meeting shall contain:

- full commercial name of the Company;
- Company's location;
- form of holding the General Shareholders Meeting;
- date, time, venue of holding the General Shareholders Meeting;
- mailing address for sending completed ballot papers;
- date when the company stops to accept ballot papers;
- date of compilation of the list of persons entitled to participate in the General Shareholders Meeting;
- agenda of the General Shareholders Meeting;
- time when the registration of persons attending the General Shareholders Meeting begins;
- procedure for reviewing information (materials) that are to be furnished in preparation for the General Shareholders Meeting and address (addresses) where such review may take place.

If the agenda of the General Shareholders Meeting provides for consideration of issues the positive resolution on which creates the right of the shareholders who voted against such resolution or did not participate in the voting on these issues to claim redemption of their shares by the Company, the notice of the forthcoming General Shareholders Meeting shall additionally provide information about:

- the possibility that such right may arise;
- redemption price determined by the Company's Board of Directors based on the conclusion of an independent valuer;
- redemption procedure;

If the agenda of the General Shareholders Meeting contains an issue involving the election of a new composition of the Board of Directors, the notice shall additionally provide information about:

- the right of shareholders who own 2 % and more of the Company's voting shares to propose nominees for election to the Board of Directors;
- time set for introducing such proposals;
- address to which proposals shall be sent.

3.4. If the person registered in the Company's shareholders register is a nominal shareholder, a notice of holding the General Shareholders Meeting shall be sent to the address of the nominal shareholder, unless other mailing address to which the notice of holding the General Shareholders Meeting is stipulated in the list of persons entitled to participate in the General Shareholders Meeting.

3.5. The list of information (materials) on the agenda items of the General Shareholders Meeting and procedure of its provision to shareholders shall be determined by the requirements of the prevailing Russian Law as well as the Bylaw on Information Policy of JSC Comstar - United TeleSystems.

3.6. A ballot paper shall contain:

- last name, first name, patronymic (company name) of the shareholder;
- number of Company's voting shares owned by him;
- full commercial name of the Company;
- Company's location;
- form of holding the General Shareholders Meeting;
- date, time, venue of holding the General Shareholders Meeting;
- mailing address for sending completed ballot papers;
- date when the company stops to accept ballot papers;
- wording of resolution on each issue (name of each nominee), to be voted on using the ballot;
- voting alternatives for each issue of the agenda, expressed by wording "for", "against" or "abstained" ;

- a reminder that the ballot paper must be signed by the shareholder; as well as explanations on how to complete it.

In case of voting on the issue of electing the Company's Board members, members of the Company's Audit Committee, as well as members of the Company's Counting Board, the ballot paper shall contain information about the nominee(s) stating his first name, last name, patronymic.

In case of cumulative voting, the ballot paper shall indicate so and shall contain an explanation of the cumulative voting procedure.

3.7. The voting ballot shall contain the following explanations:

- the voter may select only one voting alternative, except in cases of voting in accordance with instructions of persons who acquired shares after the date of compilation of the list of persons entitled to participate in the General Shareholders Meeting, or in accordance with the instructions of depositary securities holders;
- if more than one voting alternative is selected in the ballot, then the fields for entering the number of votes provided for each voting alternative shall indicate the number of votes cast for the corresponding voting alternative, and a notation shall be made that votes were cast in accordance with the instructions of purchasers of shares transferred after the date of compilation the list of persons entitled to participate in the General Shareholders Meeting, and (or) in accordance with the instructions of depositary securities holders;
- a voter, with a power of attorney for shares transferred after the date the list of persons entitled to participate in the General Shareholders Meeting was compiled, shall indicate the number of votes cast for the selected voting alternative in the field reserved for entering the number of votes opposite the selected voting alternative and shall make a notation that voting was made in accordance with a power of attorney issued for shares transferred after the date the list of persons entitled to participate in the General Shareholders Meeting was compiled.
- if not all shares were transferred after the date the list of persons entitled to participate in the General Shareholders Meeting was compiled, the voter shall indicate in the field reserved for entering the number of votes opposite the selected voting alternative, and shall make a notation that a portion of the stock was transferred after the date the list of persons entitled to participate in the General Shareholders Meeting was compiled. With respect to shares transferred after the date the list of persons entitled to participate in the General Shareholders Meeting was compiled, if instructions coinciding with a given voting alternative are received from the purchasers of such shares, such votes shall be combined.

4. COMPILATION OF THE LIST OF PERSONS ENTITLED TO PARTICIPATE IN THE GENERAL SHAREHOLDERS MEETING

4.1. The list of persons entitled to participate in the General Shareholders Meeting shall be compiled based on the Company Shareholders Register data as of a certain date set forth by the Company's Board of Directors in accordance with the effective legislation of the Russian Federation and the Company's Charter.

4.2. The shareholders – holders of the Company's voting common shares (including fractional shares) - with the right to vote on all items of the Agenda for the General Shareholders Meeting and other persons are included on the list as provided by the effective legislation of the Russian Federation.

4.3. The date of compilation of the list of persons entitled to participate in the General Shareholders Meeting shall not be fixed earlier than the date on which decision to hold the General Shareholders Meeting is made or earlier than 50 days.

If the Agenda for an extraordinary General Shareholders Meeting contains an issue of election of the Company's Board of Directors, and the Company's shareholder(s) holding in the aggregate not less than 2% of the Company's voting shares makes proposals on the nominees to be elected to the Company's Board of Directors, then the date of compilation of the list of persons entitled to participate in the General Shareholders Meeting shall not be fixed earlier than the date on which decision to hold the General Shareholders Meeting is made or more than 65 days before the date on which the General Shareholders Meeting is convened.

4.4. If the Agenda for an extraordinary General Shareholders Meeting contains the issues on which a different complement of the voters take ballot, then the date of compilation of the list of persons entitled to participate in the General Shareholders Meeting shall not be fixed less than 45 days before the date on which the General Shareholders Meeting is convened.

4.5. Amendments to the list of persons entitled to participate in the General Shareholders Meeting may be made only in case of reinstatement of violated rights of the persons not included on the said list as of the record date or correction of errors made at the time of its compilation.

4.6. As from the time of compilation of the list of persons entitled to participate in the General Shareholders Meeting and by the date of convening the meeting, a shareholder holding 1% or more of the Company's voting shares, shall have the right to see the information from such list (excluding the information on the shareholders' address and passport particulars) by contacting the Company's Corporate Secretary. Any interested person shall be entitled to receive an extract from the said list containing the details of such person or a reference that such person has not been included on the list.

5. SHAREHOLDER'S RIGHTS TO ATTEND A GENERAL SHAREHOLDERS MEETING AND PROCEDURE FOR THEIR CONFIRMATION AT THE TIME OF REGISTRATION

5.1. A shareholder shall have the right to attend a General Shareholders Meeting personally or through his/her proxy. The shareholder shall be entitled to replace at any time his/her proxy at the General Shareholders Meeting or participate in the General Shareholders Meeting personally.

The shareholder shall be entitled to revoke his/her power of attorney and attend the General Shareholders Meeting personally, by submitting a written request for revocation to the Audit Committee to this effect, with the shareholder to be registered for participation in the General Shareholders Meeting, and he/she must be issued with the ballot papers if notice of the proxy's replacement (recall) is received prior to registration of the proxy whose powers are terminated.

The shareholder shall not be entitled to delegate more than one proxy to attend the General Shareholders Meeting.

5.2. The shareholder's proxy at the General Shareholders Meeting shall act in accordance with the powers basing on the directions of federal laws or so authorized public bodies or local government bodies or a power of attorney conforming to the requirements of legislation of the Russian Federation. A power of attorney for voting shall contain the information on the date and place of its issue, the details of the principal and proxy (full name of a physical person; the name, corporate form of a legal person), domicile or principal establishment, passport particulars of the physical person (the principal's and proxy's passport particulars shall imply the numeration (indicating the series) of the passport form and the date of its issue), details of the State Registration of the legal person, as well as the scope of authority conferred by the shareholder to his/her proxy.

A shareholder's power of attorney (in case of a physical person) shall be notarized either by the organization where the principal studies or works, the Housing Service at the domicile or the medical institution where he/she is undergoing treatment.

A power of attorney from the shareholder (in case of a legal person) shall be signed by its executive or other person so authorized by his/her constituent documents and bear the seal of such organization.

5.3. The persons included on the list of persons entitled to attend the General Shareholders Meeting, the persons to whom the shareholder's rights to the shares were transferred by way of heirdom or succession at the time of re-organization or their representatives operating in accordance with a power of attorney for voting or under law.

5.4. The persons participating in the General Shareholders Meeting held in the form of a meeting, shall be registered by the Company's Counting Board. In the event that no Counting Board has been established at the Company, its functions shall be performed by the Corporate Secretary or other person authorized by the Company's Board of Directors, including the Company's Registrar.

The persons entitled to attend the General Shareholders Meeting who voted by sending the completed ballot papers to the Company, which were received by the Company not later than two days prior to the date of holding the General Meeting, shall be entitled to participate in the work of the General Shareholders Meeting, but shall not be registered.

5.5. At the time of registration, the persons entitled to participate in the General Shareholders Meeting, who reported for participation in the General Shareholders Meeting, shall produce the passport or other identification document; a shareholder's proxy shall produce the power of attorney (in addition to the identification document), and the shareholder's/shareholders' legal proxies shall produce the documents confirming their powers. The persons entitled to participate in the General Shareholders Meeting shall be registered on condition of identification of the persons who reported for participation in the General Shareholders Meeting, by comparing the details contained in the list of persons entitled to participate in the General Shareholders Meeting against the documents produced by such persons. The match in the series and number of the passport form produced by the shareholder (also appearing in the shareholder's power of attorney issued to the proxy), including the formal seal, containing the details of the series and number of the replaced passport form, shall be sufficient condition for identification.

5.6. In case of several joint holders of the Company's shares, the powers to vote at the General Shareholders Meeting shall be exercised at their discretion by one of the joint holders or by their common proxy. The powers of each of the above-mentioned persons shall be properly legalized.

The guardians and trustees of the incompetent shareholders entitled to participate in the General Shareholders Meeting shall attend the General Shareholders Meeting if the documents confirming their right to guardianship (trusteeship) are available.

The executive of a shareholding company shall attend the General Shareholders Meeting without power of attorney on the authority of the documents confirming his/her powers as a person entitled to act without power of attorney on behalf of such company (the company Charter, the Minutes, the letter of appointment, etc.) and the identification documents.

If a shareholding legal person is at the stage of bankruptcy, then a bankruptcy commissioner shall act on behalf of such legal person in accordance with the effective laws of the Russian Federation. A respective court ruling on the appointment of bankruptcy commissioner shall be provided to the Counting Board.

The availability of court ruling or judicial decision forbidding a shareholder to vote at the General Shareholders Meeting by the shares held by such shareholder shall not be the ground for refusal to register such shareholder as a participant of the General Shareholders Meeting.

5.7. Registration of the persons entitled to participate in the General Shareholders Meeting shall end at the time of declaration by the Chairman of the General Shareholders Meeting of completion of discussion of the last issue on the Agenda of the Company's General Shareholders Meeting, which has a quorum. The shareholders reporting after completion of the registration shall not be allowed to participate in the work of the General Shareholders Meeting.

5.8. As requested by the persons registering for participation in the General Shareholders Meeting, whose ballot papers were not received by the Company or were received later than two days prior to the date of holding the General Meeting, they may be issued, against receipt, with the ballot papers marked as 're-issued'.

6. BODIES OF A GENERAL SHAREHOLDERS MEETING

6.1. The Working Bodies of a General Shareholders Meeting are as follows:

- Chairman of the Meeting;
- Secretary of the Meeting;
- Counting Board

6.2. The functions of Chairman of a General Shareholders Meeting shall be performed by the Chairman of the Board of Directors. In absence of the Chairman of the Board of Directors the functions of Chairman of the General Shareholders Meeting shall be performed by the Deputy Chairman of the Board of Directors, and in the absence of the same, by any member of the Company's Board of Directors by decision of the Board of Directors. When an extraordinary

General Shareholders Meeting is held at the request of the Company's Auditor, the Company's Audit Committee, the shareholders holding, in the aggregate, 10% or more of the Company's voting shares, then in the absence of persons who chair the general meeting in accordance with the Federal Law "On Joint-Stock Companies", the functions of Chairman at the General Shareholders Meeting shall be performed by a person (one of the persons) who requested that an extraordinary meeting should be held.

6.3 Chairman of the General Shareholders Meeting shall announce the General Meeting opened and closed; announce the Agenda for the General Meeting and the order of presentations and reports on the issues of the Agenda; announce the end of discussion of the issues on the Agenda and the beginning of vote counting; give the floor for speaking and answering the questions of the participants of the General Shareholders Meeting; ensure that the Procedure for the Conduct of the General Shareholders Meeting as prescribed by this Bylaw is observed; sign Minutes of the General Shareholders Meeting.

6.4 Secretary of the General Meeting shall prepare and sign Minutes of the General Shareholders Meeting. The functions of Secretary of the General Meeting shall be performed by the Company's Corporate Secretary and in the absence of the same by any other person as designated by participants of the General Meeting.

6.5 The Company's Counting Board shall register the participants of the General Shareholders Meeting, determine quorum of the General Shareholders Meeting, clarify the voting procedure to the shareholders (their proxies), ensure that the voting procedure is observed, count the votes, sum up the results of voting and produce the poll deed on the results of voting. The members of the Company's Board of Directors, the members the Company's Audit Committee, the Company's Chairman, as well as the persons nominated to such positions may not be part of the Company's Counting Board.

If the number of the Company's shareholders holding the voting shares is less than 100, then the General Shareholders Meeting shall have the right to assign performance of the functions of the Company's Counting Board to the Corporate Secretary or other person.

If the number of the Company's shareholders holding the Company's voting shares is greater than a hundred (100), then the Company shall establish a Counting Board whose composition in terms of numerical strength and member persons shall be approved by the General Shareholders Meeting. Counting Board shall be established as a permanently working body of the General Meeting, with the term of office of the Counting Board not fixed. If the number of the members of Counting Board becomes less than three, then the General Meeting shall elect new members to Counting Board or assign performance of the functions of Counting Board to the Company's Registrar.

If the number of shareholders holding the Company's voting shares exceeds 500, then the Company's Registrar shall perform the functions of Counting Board, in which case decision of the General Meeting to assign performance of the functions of Counting Board to the Company's Registrar will not be required.

7. QUORUM OF A GENERAL SHAREHOLDERS MEETING. RE-CONVOCAION OF A SHAREHOLDERS MEETING

7.1 A General Shareholders Meeting is competent (has a quorum) if the shareholders, or their proxies, holding in the aggregate more than half of votes of the Company's outstanding shares participated in such Meeting.

The shareholders and their proxies who registered for participation in the General Shareholders Meeting shall be deemed to have participated in the General Meeting, as shall those shareholders whose ballot papers were received by the Company:

- Where the General Shareholders Meeting is held in the form of a meeting – not later than two days prior to the date of holding the General Shareholders Meeting;
- Where the General Shareholders Meeting is held in the form of absentee voting – not later than the final date for acceptance of the ballot papers.

7.2 Quorum is determined in respect of each issue on the Agenda for the General Shareholders Meeting. Absence of quorum for making a decision on the issues voted by one

group of voters shall not prevent making a decision voted by another group of voters where quorum is available.

When determining a quorum related to the issue of election of the members of Audit Committee, the shares held by the members of the Company's Board of Directors and other executive bodies who are sitting as at the time of holding the meeting shall be excluded from among the voting shares.

When determining quorum, the shares bought out/acquired by the Company shall not be taken into account the Company's Counting Board.

If the shares held by any shareholder were put under ban to participate in voting by court ruling or judicial decision, then such shares shall be taken into account as the voting shares in determining a quorum of the General Shareholders Meeting.

7.3 A General Meeting held in the form of a meeting shall be opened if by the time of its commencement a quorum is available in respect of at least one of the issues included on the Agenda for the General Meeting.

If, by the time of opening the General Meeting, no quorum is available in respect of any of the issues included on the Agenda for the General Meeting, then the opening of the General Meeting may be adjourned by decision of Chairman of the meeting, but not for more than 2 hours.

The opening of the General Shareholders Meeting cannot be adjourned more than once.

7.4 When no quorum is available for holding an annual General Shareholders Meeting, the adjourned General Shareholders Meeting with the same Agenda shall be held. If no quorum is available for holding an extraordinary General Shareholders Meeting, the adjourned General Shareholders Meeting with the same Agenda may be held.

7.5 The decision on holding the adjourned General Shareholders Meeting shall be made by the Board of Directors or the person who convened an extraordinary General Shareholders Meeting.

7.6 An adjourned General Shareholders Meeting shall be competent (have a quorum) in respect of a certain issue on the Agenda if the shareholders holding in the aggregate not less than 30% of the Company's outstanding voting shares participate in it.

8. PROCEDURE FOR CONDUCT OF A GENERAL SHAREHOLDERS MEETING

8.1 A shareholder (a shareholder's proxy) shall be entitled to participate in a General Shareholders Meeting held in the form of a meeting only after passing the registration.

8.2 At the time fixed for commencement of the General Shareholders Meeting, the Chairman of Counting Board shall inform the General Shareholders Meeting whether or not a quorum is available. Chairman of the meeting shall announce the meeting opened (the opening adjourned), submit the proposals of the Company's Board of Directors on approval of the procedure for conduct of the General Shareholders Meeting for consideration of the General Shareholders Meeting.

8.3 The official language of the General Shareholders Meeting shall be Russian. The materials for the General Shareholders Meeting shall be translated into the English language, if necessary.

8.4 The Company shall endeavor to ensure that the members and nominees to the members of the Board of Directors, the members and nominees to the Company's Audit Committee, the Company's Auditor, as well as the Company's senior officials are present at the General Shareholders Meeting held in the form of joint presence so that the said persons can answer the questions asked during the course of the General Shareholders Meeting.

When the General Shareholders Meeting is held in the form of absentee voting, the shareholders shall be entitled to approach, directly or via Corporate Secretary, the Company's officials for verbal clarifications in respect of the issues on the Agenda for the General Shareholders Meeting.

8.5 A shareholder shall be entitled to get a copy of his/her ballot papers once the General Shareholders Meeting finishes and to have the voting results disclosed.

9. VOTE COUNTING AND FORMALIZING THE VOTING RESULTS

9.1 Voting at a General Shareholders Meeting shall be based on the principle “one Company’s voting share – one vote”, except for cumulative voting when the Company’s Board of Directors is elected. The completed and signed ballot papers shall be collected by the members of Counting Board or the person performing its functions.

If a participant did not cast the ballot papers for some reason during the voting, then he/she shall be deemed as not having participated in the voting, and his/her votes are not taken into account in counting the voting results.

9.2 When summing up the results of voting, Counting Board shall not have the right to sum up the voting results for election to the Company’s bodies of those persons who presented a written refusal to stand for election or announced their refusal to stand for election during the course of the General Shareholders Meeting.

When determining a quorum and summing up the voting results for election of the members of the Company’s Audit Committee, Counting Board shall not take into account the votes held by the members of the Company’s Board of Directors who were newly elected at this General Shareholders Meeting.

If the nominees elected to the Board of Directors or holding the positions in the Company’s management bodies are included in the voting papers for election of the members of the Company’s Audit Committee, then Counting Board shall not sum up the voting results in respect of those nominees.

If the nominee elected as the Company’s sole executive body (Chairman), the nominees elected to the Company’s Board of Directors, the Company’s Audit Committee, as well as the nominees to those positions are included in the voting papers for election of the members of Counting Board, then Counting Board shall not sum up the voting results in respect of those nominees.

If the number of nominees included in the ballot papers when electing the members of the Company’s Board of Directors is greater than the number of vacancies, and several nominees collect an equally small number of the votes not allowing to determine which of those nominees was elected to the existing vacancies in the Board of Directors, then all of such nominees shall be deemed as not elected to the Board of Directors.

If Counting Board receives a court ruling or judicial decision containing a ban for a particular shareholder to vote by his/her own votes, then such shareholder’s ballot papers shall not be taken into account when summing up the voting results.

9.3 The ballot papers shall be invalidated and the votes in respect of them shall not be counted if:

- Corrections are present in the particulars of the voting papers;
- The ballot papers presented to Counting Board do not conform to the text and format of the ballot papers specified by the Company’s Board of Directors;
- More than one voting alternative is left in the ballot papers, except for the instance of voting in accordance with the instructions of the persons entitled to participate in the General Shareholders Meeting or in accordance with the instructions of the holder of depositary securities. Counting Board shall acknowledge that one voting alternative is left in the ballot papers if the remaining alternatives are crossed, or this alternative is highlighted by a shareholder, while the remaining alternatives do not bear any marks;
- The signature of a participant of the voting is missing;
- The Company receives the ballot papers signed by the proxy acting under a power of attorney for voting, if the Company receives a notification of replacement (recall) of such proxy not later than two days prior to the date of holding a General Meeting;
- Two or more ballot papers completed by the same person are discovered when counting the votes, in which that voter left different voting alternatives in respect of the same issue of the Agenda for the General Shareholders Meeting;
- The “For” voting alternative in the ballot papers for election of the members of the Company’s Audit Committee, the members of Counting Board is left in respect of a greater number of the nominees than the number of persons to be elected to the Company’s respective body;
- The “For” votes are left in the ballot papers in respect of alternative variants of the solutions;

- In case of cumulative voting, a shareholder distributed more votes between the nominees to the Board of Directors than such shareholder has at his/her disposal;
- The ballot papers were submitted to Counting Board after the time fixed for commencement of counting the voting results.

9.4 In the event that the Agenda for the General Shareholders Meeting contains the issues of:

- Reorganization of the Company;
- Approval of a major transaction;
- Incorporation of changes to the Charter of the Company (approval of the new wording of the Charter) restricting the shareholders' rights;
- Placing of shares or the issuing securities, convertible into shares, under private offering (except when such securities are placed under private offering only among the shareholders, in which case the shareholders have the right to acquire a whole number of the placed shares or other issuing securities in proportion to the number of shares of the respective types owned by such shareholders,

the Counting Board shall compile a list of the shareholders who did not participate in voting, and a list of the shareholders who voted "Against" such issues on the Agenda for the General Shareholders Meeting.

9.5 Based on the voting results, Counting Board shall produce a Protocol on the results of voting, which is to be signed by the members of Counting Board or the person performing its functions. Such Protocol on the results of voting shall be produced not later than fifteen (15) days after closing of the General Shareholders Meeting or the final date for acceptance of the ballot papers when the General Shareholders Meeting is held in the form of absentee voting.

9.6 The decisions made by the General Shareholders Meeting, as well as the voting results, shall be announced at the General Shareholders Meeting during the course of which the voting was held, or shall be communicated by Corporate Secretary to the persons, included on the list of persons entitled to participate in the General Shareholders Meeting, not later than ten (10) days after producing the Protocol on the results of voting in the form of a Report on the results of voting. The Report on the results of voting at the General Meeting shall be signed by Chairman and Secretary of the General Meeting. The Report on the results of voting shall be placed on the Company's site in the Internet.

The adopted decision shall take effect at the time of formalizing Minutes of the General Shareholders Meeting.

9.7 Minutes of the General Shareholders Meeting shall be produced in two copies not later than fifteen (15) days after closing of the General Shareholders Meeting. The two copies shall be signed by Chairman and Secretary of the General Meeting.

The Protocol on the results of voting shall be attached to Minutes of the General Shareholders Meeting.

9.8 Minutes of the General Shareholders Meetings shall be kept in custody indefinitely at the location of the Company's executive body, and their copies – at the Company's Counting Board.

After the Protocol on the results of voting was produced and Minutes of the General Shareholders Meeting were signed, the ballot papers, as well as the power of attorneys (the copies of power of attorneys) for participation in the General Shareholders Meeting shall be sealed by Counting Board kept in the Company's archive indefinitely. The sealed ballot papers shall be kept by the Company in a special lockable and sealable box or a special cabinet with lockable cells. A respective Statement shall be drawn up whenever the sealed ballot papers, which are kept in custody, are opened by the person(s) authorized by the Company for such opening.

The list of persons entitled to participate in the General Shareholders Meeting, as well as other lists compiled by the Company for the shareholders to exercise their rights in preparation and conduct of the General Shareholders Meeting shall be kept indefinitely at the location of the Company's executive body.

The documents confirming the fact of distribution of communications about the General Shareholders Meeting, ballot papers, Reports on the results of voting to the shareholders shall

be kept for 3 years beginning from the 1 January of the year following the year in which the respective distribution was made.

9.9 A copy of Minutes of the General Shareholders Meeting or an extract thereof shall be provided to a shareholder at his/her written request. At a shareholder request, such documents may be sent to him/her via electronic mail.

9.10 A shareholder shall be entitled to appeal against the decision made by the General Shareholders Meeting in violation of the statutory requirement set forth in Federal Law "On Joint-Stock Companies", other legal acts of the Russian Federation, the Charter of the Company in the event that such shareholder did not take part in the General Shareholders Meeting or voted against making such decision, and the said decision violated his/her rights and legitimate interests.