

3rd edition

APPROVED  
by the resolution of the General Meeting of Shareholders of  
OAO RBC Information Systems

Minutes No. 15 of June 8, 2004

signed by General Director

Yury Rovensky

# Regulations of the BOARD OF DIRECTORS of OAO RBC Information Systems (3rd edition)

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## Table of contents

<b>I. GENERAL PROVISIONS</b> .....	<b>4</b>
ARTICLE 1. THE PROVISIONS REGARDING THE BOARD OF DIRECTORS.....	4
ARTICLE 2. THE BOARD OF DIRECTORS.....	4
<b>II. AIMS AND GOALS OF THE BOARD OF DIRECTORS</b> .....	<b>4</b>
ARTICLE 3. GOALS AND PRINCIPLES OF WORK OF THE BOARD OF DIRECTORS.....	4
ARTICLE 4. THE ROLE OF THE BOARD OF DIRECTORS.....	5
ARTICLE 5. RIGHTS OF A MEMBER OF THE BOARD OF DIRECTORS.....	5
ARTICLE 6. DUTIES OF A MEMBER OF THE BOARD OF DIRECTORS.....	6
ARTICLE 7. THE PROCEDURE FOR THE EXECUTION OF RIGHTS AND THE FULFILLMENT OF DUTIES OF MEMBERS OF THE BOARD OF DIRECTORS.....	6
ARTICLE 8. OBLIGATION OF THE CHIEF EXECUTIVE TO FULFILL THE REQUIREMENTS OF THE MEMBERS OF THE BOARD OF DIRECTORS.....	7
<b>III. CHAIRMAN OF THE BOARD OF DIRECTORS</b> .....	<b>7</b>
ARTICLE 9. ELECTION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS.....	7
ARTICLE 10. RESPONSIBILITIES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS.....	7
<b>IV. SECRETARY OF THE BOARD OF DIRECTORS AND THE PROTOCOL SERVICE</b> .....	<b>8</b>
ARTICLE 11. ELECTION OF THE SECRETARY OF THE BOARD OF DIRECTORS.....	8
ARTICLE 12. RESPONSIBILITIES OF THE SECRETARY OF THE BOARD OF DIRECTORS.....	8
ARTICLE 13. RESPONSIBILITIES OF THE PROTOCOL SERVICE.....	8
<b>V. REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS AND COMPENSATION FOR EXPENDITURES RELATED TO THE FULFILLMENT OF THEIR DUTIES</b> .....	<b>9</b>
ARTICLE 14. THE AMOUNT AND THE TERMS OF PAYMENT OF REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS.....	9
<b>VI. MEETINGS OF THE BOARD OF DIRECTORS</b> .....	<b>9</b>
ARTICLE 15. SUMMONING OF MEETINGS OF THE BOARD OF DIRECTORS.....	9
ARTICLE 16. PLACE AND TIME OF A MEETING OF THE BOARD OF DIRECTORS.....	10
ARTICLE 17. NOTIFICATION OF MEMBERS OF THE BOARD OF DIRECTORS OF THE SUMMONING AND HOLDING OF A MEETING OF THE BOARD OF DIRECTORS.....	10
ARTICLE 18. CHANGING OF THE PLACE AND TIME OF HOLDING OF A MEETING OF THE BOARD OF DIRECTORS.....	10
ARTICLE 19. REQUEST FOR SUMMONING A MEETING OF THE BOARD OF DIRECTORS.....	11
ARTICLE 20. REJECTION OF A REQUEST FOR SUMMONING A MEETING OF THE BOARD OF DIRECTORS.....	11
ARTICLE 21. COMPULSORY SUMMONING OF A MEETING OF THE BOARD OF DIRECTORS.....	11
ARTICLE 22. MEETINGS OF THE BOARD OF DIRECTORS.....	12
ARTICLE 23. RECORDING OF A WRITTEN OPINION OF A MEMBER OF THE BOARD OF DIRECTORS WHO IS ABSENT AT THE MEETING.....	12
ARTICLE 24. PROTOCOLS OF BOARD OF DIRECTORS MEETINGS.....	13
<b>VII. REQUIREMENTS FOR A RESOLUTION OF THE BOARD OF DIRECTORS</b> .....	<b>14</b>
ARTICLE 25. RESOLUTION OF THE BOARD OF DIRECTORS.....	14
ARTICLE 26. IMPLEMENTATION OF A RESOLUTION OF THE BOARD OF DIRECTORS.....	14
<b>VIII. MAKING DECISIONS BY THE BOARD OF DIRECTORS BY MEANS OF ABSENTEE BALLOTS</b> .....	<b>14</b>
ARTICLE 27. MAKING A DECISION BY THE BOARD OF DIRECTORS BY MEANS OF ABSENTEE BALLOTS.....	14
ARTICLE 28. THE BALLOT-PAPER.....	16
<b>IX. COMMITTEES OF THE BOARD OF DIRECTORS</b> .....	<b>16</b>
ARTICLE 29. THE COMPENSATION COMMITTEE.....	16
ARTICLE 30. THE AUDIT AND COMPLIANCE COMMITTEE.....	17
ARTICLE 31. RISK MANAGEMENT.....	17
ARTICLE 32. GENERAL PROVISIONS ON COMMITTEES.....	18
ARTICLE 33. ELECTION OF A PERSON RESPONSIBLE FOR COMPLIANCE WITH CORPORATE GOVERNANCE STANDARDS.....	19
<b>X. REVIEWING OF COMPANY BUSINESS BY MEMBERS OF THE BOARD OF DIRECTORS</b> .....	<b>19</b>
ARTICLE 34. THE PROCEDURE FOR REVIEWING THE COMPANY'S BUSINESS BY A MEMBER OF THE BOARD OF DIRECTOR.....	19
ARTICLE 35. INTRODUCTION OF A MEMBER OF THE BOARD OF DIRECTORS TO OFFICIALS OF THE COMPANY.....	19
ARTICLE 36. PROVISION OF INFORMATION ABOUT THE COMPANY (DOCUMENTS, MATERIALS) TO A MEMBER OF THE BOARD OF DIRECTORS.....	19
ARTICLE 37. QUITTING OF THE BOARD OF DIRECTORS BY A MEMBER OF THE BOARD OF THE DIRECTORS.....	20

**XI. 11. CONFLICT OF INTERESTS BETWEEN A MEMBER OF THE BOARD OF DIRECTORS AND THE COMPANY .....20**

ARTICLE 38. HOLDING OF POSTS IN OTHER COMPANIES BY A MEMBER OF THE BOARD OF DIRECTORS .....20

ARTICLE 39. PROHIBITION OF ACTIONS THAT MAY CAUSE A CONFLICT OF INTERESTS.....20

ARTICLE 40. DISCLOSURE OF INFORMATION ON DEALS WITH MEMBERS OF THE BOARD OF DIRECTORS AS RELATED PARTIES ..21

ARTICLE 41. AN INDEPENDENT MEMBER OF THE BOARD OF DIRECTORS .....21

ARTICLE 42. RATIO BETWEEN THE EXECUTIVE AND INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS .....22

## I. GENERAL PROVISIONS

### Article 1. The provisions regarding the Board of Directors

These Provisions regarding the Board of Directors (hereinafter referred to as the Provisions) of the Joint-Stock Company OAO RBC Information Systems have been prepared in accordance with the Civil Code of the Russian Federation, the Federal Law "On Joint-Stock Companies" and the Company's Articles of Association, and they define the procedure for the work of the Board of Directors of the Company.

### Article 2. The Board of Directors

1. The Board of Directors is a collegial managerial body of the Company, which is responsible for the general management of its operations, except for matters decisions on which shall be made by shareholders at their general meeting (hereinafter referred to as the general meeting of shareholders) in accordance with the federal law and the Articles of Association of the Company.
2. The work of the Board of Directors shall comprise the holding of meetings and adoption of resolutions.
3. Members of the Board of Directors shall be elected by shareholders at their general meeting, and the number of members shall be twelve. A member of the Board of Directors of the Company may not be a shareholder in the Company. Only an individual can be a member of the Board of Directors of the Company.
4. Adding of persons whose age exceeds 75 years to the lists of candidates for members of the Board of Directors shall be separately approved at a meeting of the Board of Directors of the Company.
5. Foreign citizens may be elected to the Board of Directors.

## II. AIMS AND GOALS OF THE BOARD OF DIRECTORS

### Article 3. Goals and principles of work of the Board of Directors

1. The goals of the Board of Directors are the achievement of maximum profits and an increase in the Company's assets, protection of rights and legal interests of shareholders, execution of the constant control of executive bodies, and guaranteeing of the completeness, accuracy and objectivity of publicly accessible information about the Company.
2. For the achievement of its goals the Board of Directors shall follow the following principles:
  - The use of accurate information for making decisions;
  - Prevention of any limitation of rights of shareholders to manage the Company's business, to receive dividends and information about the Company;
  - Maintaining the best possible balance between the interests of different groups of shareholders and making the most objective decisions by the Board of Directors in the interests of all shareholders in the Company.

3. Any un-removable uncertainty in the rules specified in instructions, legal acts and regulations shall be construed by the Board of Directors in favor of extending the rights and legal interests of shareholders.

#### **Article 4. The role of the Board of Directors**

For the achievement of the goals of its work the Board of Directors shall, within the limits of its authority, accomplish the following tasks:

- Determine the strategy of the Company's development and the priorities of the Company's business;
- Implement resolutions of the general meeting of shareholders;
- Provide support for the execution and protection of rights of shareholders and assistance in the settlement of corporate conflicts;
- Assess political, financial and other risks that influence the Company's business, as well as monitor the risk management system;
- Approve plans and budgets of the Company;
- Develop the investment policy;
- Evaluate the results of the Company's operations and the work of its bodies;
- Suggest conditions for payment of dividends;
- Determine the criteria for the recruitment of the administrative and managerial staff;
- Develop systems and methods of motivation and incentives for the staff;
- Control of the disclosure of information about the Company;
- Supervise the work of the executive bodies of the Company;
- Control the Company's financial and commercial operations;
- Approve internal control procedures;
- Control the Company's compliance with current law;
- Control compliance with the principles of corporate governance.

#### **Article 5. Rights of a member of the Board of Directors**

1. A member of the Board of Directors is entitled to do the following:
  - Request any information (documents and materials) about the Company's business from officials of the Company in accordance with the procedure specified in the Provisions;
  - Receive remuneration for the fulfillment of his duties and (or) a compensation for expenses related to the fulfillment of the duties of a member of the Board of Directors of the Company, whose conditions and amount shall be set by shareholders at their general meeting;
  - Review protocols of meetings of the Board of Directors and other collegial bodies of the Company and to receive their copies;
  - Require the adding of his personal opinion on issues on the agenda and decisions made to the protocol of a meeting of the Board of Directors;
2. A member of the Board of Directors cannot at the same time be a member of the Audit and Compliance Committee of the Company. Shares in the Company that belong to members of the Board of Directors in the Company shall not be

taken into account during the voting in the process of the election of the Company's Audit and Compliance Committee.

#### **Article 6. Duties of a member of the Board of Directors**

A member of the Board of Directors shall do the following:

- Be loyal to the Company;
- Act within the limits of his authority in accordance with the goals and objectives of the Board of Directors;
- Act reasonably, honestly and with due care with regard to the Company's business;
- Act in the interests of the Company in general, rather than individual shareholders, officials and other persons;
- Not disclose confidential information about the Company's business;
- Initiate meetings of the Board of Directors to resolve urgent problems;
- Attend meetings of the Board of Directors;
- Participate in making decisions of the Board of Directors by means of voting on issues included on the agenda of its meetings;
- Make grounded decisions, based on analysis of all information (materials) required, conduct investigations and bring any information related to decisions to be made to the attention of all members of the Board of Directors;
- In the process of making decisions, analyze risks and unfavorable consequences;
- Promptly inform the Company about any relations with its affiliates and changes in them;
- Notify the Board of Directors of planned deals that he may be considered interested in, as well as on deals on securities of the Company or its subsidiaries;
- Participate in the examination of projects and programs, suggested by the Board of Directors;
- At the request of the Board of Directors, prepare proposals on increasing the efficiency of the Company's financial and commercial operations;
- Inform other members of the Board of Directors about violations of legal acts, the Articles of Association, provisions, rules and instructions of the Company by employees of the Company, including officials, which have been brought to his attention;
- Prepare and submit to the Board of Directors for consideration questions within the limits of his authority.

#### **Article 7. The procedure for the execution of rights and the fulfillment of duties of members of the Board of Directors**

1. Members of the Board of Directors of the Company shall be elected by shareholders at their annual general meeting on an annual basis, in accordance with the Company's Articles of Association.
2. The work of a member of the Board of Directors shall be continuous and shall not be limited to participation in making decisions by the Board of Directors.
3. For the execution of rights of a member of the Board of Directors the Company may provide him with a document to confirm his official status as a member of the Board of Directors. The form and the text of this document shall be

approved by the Board of Directors and shall be reported to all officials and employees of the Company.

4. For the execution of rights and the fulfillment of duties of a member of the Board of Directors, he is entitled to give instructions and orders that shall be binding for all officials of the Company, in the event they do not contradict regulations, the Articles of Association and internal rules of the Company and do not infringe on the authority of other officials and bodies of the Company.
5. A person responsible for the storage of resolutions and protocols of meetings of the Board of Directors shall provide a member of the Board of Directors with certified copies of these documents at his request without delay.
6. Members of the Board of Directors may hold posts in managerial bodies of other organizations with the consent of the Board of Directors.

#### **Article 8. Obligation of the Chief Executive to fulfill the requirements of the members of the Board of Directors**

1. At the request of a member of the Board of Directors, officials of the Company shall provide him with required information on the Company's business.
2. In the event the provision of information requested by a member of the Board of Directors proves to be impossible, officials of the Company shall give this member of the Board of Directors a motivated written refusal to provide the information within one day.
3. A member of the Board of Directors shall inform the Board of Directors about the refusal to provide information by an official of the Company.
4. At the request of a member of the Board of Directors, officials of the Company shall give him access to information on the Company's business.

### **III. CHAIRMAN OF THE BOARD OF DIRECTORS**

#### **Article 9. Election of the Chairman of the Board of Directors**

1. The Chairman of the Board of Directors shall be elected by members of the Board of Directors for a one-year term.
2. A person who carries out the functions of the Chief Executive of the Company cannot at the same time be the Chairman of the Board of Directors.
3. The Board of Directors is entitled to replace the Chairman of the Board of Directors at any time.
4. Members of the Board of Directors shall elect the Deputy Chairman of the Board of Directors to fulfill the duties of the Chairman of the Board of Directors in the absence of the Chairman.
5. When the Chairman of the previous Board of Directors is elected to the new Board of Directors, it shall continue to fulfill the duties of the Chairman until a new Chairman of the Board of Directors is elected. In the event the Chairman of the previous Board of Directors is not elected to the new Board of Directors, the duties of the Chairman of the Board of Directors shall be performed by the oldest member of the Board of Directors until the election of a new Chairman.

#### **Article 10. Responsibilities of the Chairman of the Board of Directors**

1. The Chairman of the Board of Directors shall organize its work, summon meetings of the Board of Directors and preside over them, organize the

keeping of the minutes at meetings, preside over the general meeting of shareholders and be personally answerable to the general meeting of shareholders for the organization of work of the Company's Board of Directors.

2. In the absence of the Chairman of the Board of Directors and his deputy, the duties of the Chairman shall be performed by one of the members of the Board of Directors, authorized by the Board of Directors.

Persons who perform the duties of the Chairman of the Board of Directors in his absence shall be entitled to execute any authority assigned to the Chairman of the Board of Directors.

## **IV. SECRETARY OF THE BOARD OF DIRECTORS AND THE PROTOCOL SERVICE**

### **Article 11. Election of the Secretary of the Board of Directors**

1. The Secretary of the Board of Directors shall be elected from the membership of the Board of Directors at each meeting of the Board of Directors.
2. The person who performs the duties of the Chief Executive of the Company cannot at the same time be the Secretary of the Board of Directors.

### **Article 12. Responsibilities of the Secretary of the Board of Directors**

The Secretary of the Board of Directors shall do the following:

- Keep minutes and prepare the protocols of meetings of the Board of Directors;
- Count the results of the voting on decisions made by means of absentee ballots;
- Hand the protocols of the meetings of the Board of Directors over to the protocol service.

### **Article 13. Responsibilities of the protocol service**

1. In order to support efficient work of the Board of Directors, a protocol service shall be established within the Company.
2. The protocol service shall support the preparation and holding of meetings of the Board of Directors of the Company in accordance with the law, the Articles of Association and other internal rules of the Company.
3. The protocol service shall notify all members of the Board of Directors of the summoning of a meeting of the Board of Directors and, when necessary, deliver ballot-papers for voting to them. The protocol service shall prepare materials for a meeting of the Board of Directors and deliver these materials to members of the Board of Directors.
4. The protocol service is responsible for the storage of the protocols of meetings of the Board of Directors, ballot-papers for voting and written opinions of members of the Board of Directors who were absent at a meeting.
5. The protocol service shall record and store incoming documents and copies of outgoing documents of the Board of Directors.
6. The Company's Legal Department shall carry out the functions of the protocol service until the Board of Directors elects the protocol service.

## **V. REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS AND COMPENSATION FOR EXPENDITURES RELATED TO THE FULFILLMENT OF THEIR DUTIES**

### **Article 14. The amount and the terms of payment of remuneration of members of the Board of Directors**

1. Shareholders at their general meeting may decide to pay remuneration to members of the Board of Directors for the period when they perform their duties and (or) to compensate them for expenses related to the performance of their duties as members of the Board of Directors. The total amount of such remuneration and compensations shall be set by shareholders at their general meeting.

The general meeting of shareholders may consider the possibility of paying remuneration and compensations for expenses to members of the Board of Directors for the performance of their duties as a separate issue on the agenda of the general meeting of shareholders or as a part of the question of the procedure for the distribution of profits for the previous financial year.

Remuneration shall be paid on the basis of a decision of the general meeting of shareholders, based on the results of the Company's work over the previous year.

2. In the event the Company has no net profit (profit due to be distributed), no remuneration shall be paid to members of the Board of Directors.
3. Members of the Board of Directors are not entitled to receive remuneration and (or) compensation for expenses for the performance of their duties in any way and in any form for any decisions made by the Board of Directors or other bodies of the Company, as well as for the execution of their rights and the performance of their duties as members of the Board of Directors, except for remuneration and (or) compensation for expenses to be received on the basis of a resolution of the general meeting of shareholders.

## **VI. MEETINGS OF THE BOARD OF DIRECTORS**

### **Article 15. Summoning of meetings of the Board of Directors**

1. A meeting of the Board of Directors shall be summoned by the Chairman of the Board of Directors independently, at the request of a member of the Board of Directors, the Audit and Compliance Committee of the Company or the Auditor of the Company, the executive body of the company or any third person specified in the Company's Articles of Association.
2. When making a decision to summon a meeting of the Board of Directors, the person who summons it shall set the following:
  - Date, time and place of the meeting;
  - The meeting's agenda;
  - Questions to be voted on;
  - The list of information items (materials) to be submitted to members of the Board of Directors for the meeting.

### **Article 16. Place and time of a meeting of the Board of Directors**

1. Holding of a meeting at a time or in a place that creates serious obstacles for members of the Board of Directors to attend the meeting or makes such attendance impossible is not allowed.
2. Holding of a meeting at night (between 10 p.m. and 8 a.m. local time) is not allowed.
3. Holding of a meeting at industrial premises or other premises where normal work of the Board of Directors is impossible is not allowed.

### **Article 17. Notification of members of the Board of Directors of the summoning and holding of a meeting of the Board of Directors**

1. All members of the Board of Directors shall be notified of a meeting not less than three days before the meeting is held. The notice of a meeting shall be given to members of the Board of Directors in writing or in some other way that is convenient to them (for example, by mail, by telegraph, by teletype, by telephone, by e-mail or in some other way).
2. Notice of a meeting shall contain the following:
  - Reference to the initiator of the summoning of the meeting (the initiator's name or the name of the body or legal entity which submitted the request);
  - Questions on the agenda;
  - The reasons for adding these questions to the agenda;
  - Time and place of the meeting.

In the event the list of information items (materials) to be submitted to members of the Board of Directors for the meeting is prepared, this information (materials) shall be provided at the request of a member of the Board of Directors before the meeting in the form and before the deadline specified by the Board of Directors. Additionally, this information (materials) shall be provided for all members of the Board of Directors who are present at the meeting.

### **Article 18. Changing of the place and time of holding of a meeting of the Board of Directors**

1. In the event of the emergence of circumstances that make the holding of a meeting of the Board of Directors in the place and (or) time that members of the Board of Directors had been notified of impossible or complicate the holding of such a meeting, the meeting with the approved agenda may be held in a different place and (or) at different time. This meeting shall be held not more than three days after the date of the cancelled meeting.
2. The Chairman of the Board of Directors shall notify all members of the Board of Directors of the changing of the place and (or) time of the meeting of the Board of Directors, and adequate time shall be given to members of the Board of Directors to arrive at the meeting. Notice of the respective changes shall be given to members of the Board of Directors in any form guaranteeing the delivery of the notice to the address of any member of the Board of Directors or the address for correspondence to be received by this member of the Board of Directors.
3. A meeting of the Board of Directors that has not been held for three days cannot be further postponed.

### **Article 19. Request for summoning a meeting of the Board of Directors**

1. A request for summoning a meeting of the Board of Directors shall be submitted for the Chairman of the Board of Directors or sent to the Company in writing and shall contain the following information:

- Reference to the initiator of the summoning of the meeting (the initiator's name or the name of the body or a legal entity that submitted the request);
- Questions on the agenda;
- Reasons for adding these questions to the agenda;
- The address for replying to the request submitted.

2. The request shall be signed by the initiator of the summoning of the meeting.

In the event the respective request is made by a collegial body of the Company, the request shall be signed by members of this body who voted for the decision to submit the request.

In the event a shareholder(s) in the Company, executing his right specified in the Articles of Association of the Company to request the summoning of a meeting of the Board of Directors, submits a respective request, this request shall be signed by this shareholder(s) or his representative. In the event the request is submitted by a representative, a power of attorney prepared in accordance with the provisions of Clauses 4 and 5 of Article 185 of the Civil Code of the Russian Federation or attested to by notary, shall be attached to the request.

### **Article 20. Rejection of a request for summoning a meeting of the Board of Directors**

1. The Chairman of the Board of Directors is not entitled to refuse to summon a meeting, except in the following circumstances:

- The request for summoning a meeting does not comply with legal acts, the Articles of Association, these Provisions or any other bylaw of the Company;
- The initiator of the summoning has no right to request the summoning of a meeting of the Board of Directors in accordance with the federal law and the Company's Articles of Association.

2. The Chairman of the Board of Directors shall consider the submitted request and make a decision to summon a meeting of the Board of Directors or to refuse to summon such a meeting within 3 days after the date of submission of the request.

3. The Chairman of the Board of Directors shall notify the initiators of the summoning of the meeting of the decision made within 3 days after the date of making the decision.

4. A meeting of the Board of Directors summoned at the request of persons specified in Clause 1 of Article 68 of the Federal Law "On Joint-Stock Companies" and the Articles of Association of the Company shall be held within 10 days after the date of submission of the request.

### **Article 21. Compulsory summoning of a meeting of the Board of Directors**

1. The Chairman of the Board of Directors shall summon a meeting of the Board of Directors to make decisions on the following issues:

- The summoning of the annual general meeting of shareholders and making of decisions required for its summoning and holding, specified in Clause 1 of Article 54 of the Federal Law "On Joint-Stock Companies."
- Preliminary approval of the annual report of the Company in accordance with Clause 4 of Article 88 of the Federal Law "On Joint-Stock Companies."
- Consideration of proposals of shareholders on adding questions to the agenda of the annual general meeting of shareholders and nominating candidates for seats in the Company's bodies in accordance with the procedure specified in Clauses 1 and 2 of Article 53 of the Federal Law "On Joint-Stock Companies" and making decisions on adding questions to the agenda of the annual general meeting of shareholders and adding candidates to the list of candidates for the election of members of the Company's bodies or rejection of such adding;
- Election of a new Board of Directors under circumstances specified in Clause 2 of Article 68 of the Federal Law "On Joint-Stock Companies."

If the Chairman of the Board of Directors does not summon a meeting of the Board of Directors for resolving the above-mentioned questions, a meeting can be summoned by his deputy.

## **Article 22. Meetings of the Board of Directors**

1. Meetings of the Board of Directors shall be held when necessary, but not less than once in three months.

A meeting of the Board of Directors is authorized to make decisions if there is a quorum. A quorum for a meeting of the Board of Directors is the presence and (or) the submission of written opinions of more than a half of the total number of members of the Board of Directors, specified in the Articles of Association, except for the quorum for issues, decisions on which, in accordance with the Federal Law "On Joint-Stock Companies," shall be unanimous, shall be made by a majority of three fourths of the votes or a majority of all members of the Board of Directors without members who had been excluded from the Board of Directors, as well as decisions that shall be made by a majority of members of the Board of Directors who are not interested in a deal to be made by the Company.

2. In the process of making decisions by the Board of Directors, all members of the Board of Directors who are present at a meeting shall express their positions on questions on the agenda by means of voting.
3. Each member of the Board of Directors shall have one vote for making decisions at meetings of the Board of Directors.

Reassignment of the voting right from a member of the Board of Directors to any other person, including some other member of the Board of Directors, is not allowed.

In the event the votes of members of the Board of Directors are divided evenly with regard to any decisions, the Chairman of the Board of Directors shall have a decisive vote.

## **Article 23. Recording of a written opinion of a member of the Board of Directors who is absent at the meeting**

1. During the counting of the quorum and the results of the voting on questions on the agenda, a written opinion of a member of the Board of Directors who is absent at the meeting of the Board of Directors shall be taken into account.

A member of the Board of Directors shall submit his written opinion for the Chairman of the Board of Directors before the meeting of the Board of Directors in question.

A written statement by a member of the Board of Directors may contain his position during the voting on all questions on the agenda or selected questions. A written opinion of a member of the Board of Directors shall be taken into account for the counting of the quorum and the voting results only for questions on the agenda on which the position of the respective member of the Board of Directors is determined in the statement.

2. In the event a copy of a written opinion of a member of the Board of Directors is not included in the information (materials) to be provided for members of the Board of Directors before the meeting, the Chairman shall read out at the meeting the written opinion of a member of the Board of Directors who is absent at the meeting of the Board of Directors before the beginning of the voting on the question on the agenda that this opinion deals with.

In the event a member of the Board of Directors is present at a meeting of the Board of Directors, his written opinion received before the meeting shall not be read out at the meeting and shall not be taken into account for the counting of the quorum and the voting results.

#### **Article 24. Protocols of Board of Directors meetings**

1. The Secretary of the Board of Directors shall keep the minutes at a meeting of the Board of Directors.
2. The protocol of a meeting of the Board of Directors shall be prepared not more than three days after the meeting.

The protocol of the meeting shall specify the following:

- Place and time of the meeting;
- Persons present at the meeting;
- Persons who submitted their written opinions on questions on the agenda;
- The agenda of the meeting;
- Questions that were voted on and the voting results;
- Decisions made.

The protocol of a meeting of the Board of Directors shall be signed by the person who presided over the meeting and the Secretary of the Board of Directors.

3. In the event a written opinion of a member of the Board of Directors who is absent at the meeting is taken into account during the counting of the quorum and the results of the voting on questions on the agenda, the opinions on questions on the agenda, received from members of the Board of Directors, shall be attached to the protocol as addenda.
4. The Company shall store the protocols of meetings of the Board of Directors in the office of its executive body in accordance with the procedure and during the term set by the federal agency for the securities market. In the event such a term is not set, the Company shall store the protocols of the meetings of the Board of Directors indefinitely.

The Company shall give shareholders, as well as members of the Board of Directors, the Audit and Compliance Committee, and the Auditor of the Company access to the protocols of the meetings of the Board of Directors.

5. The Company shall provide protocols of meetings of the Board of Directors for review in the office of the Company's executive body within 7 days after any of the above-mentioned persons makes a request for reviewing protocols of meetings of the Board of Directors. At the request of any of the above-mentioned persons the Company shall provide them with copies of protocols of the Board of Directors. The fee to be collected by the Company for the provision of these copies shall not exceed the cost of their production.

## **VII. REQUIREMENTS FOR A RESOLUTION OF THE BOARD OF DIRECTORS**

### **Article 25. Resolution of the Board of Directors**

1. A decision of the Board of Directors shall be made in the following ways:
  - At a meeting of the Board of Directors;
  - At a meeting of the Board of Directors during which written opinions of absent members of the Board of Directors on questions on the agenda are taken into account during the counting of the quorum and the voting results;
  - By absentee ballots.
2. In the event a decision shall be made by a majority of three fourths of the votes or by all members of the Board of Directors unanimously, not taking into account the votes of members of the Board of Directors who had been excluded from the Board of Directors, the following members of the Board of Directors shall be excluded:
  - Persons who are dead, missing, or declared incapable;
  - Persons whose authority had been ended ahead of schedule on the basis of a resolution of the general meeting of shareholders;
  - Persons who had voluntarily resigned from the posts of members of the Board of Directors and had notified the Company about it.
  - Persons whose authority as members of the Board of Directors had been ended or suspended by valid decisions of law enforcement agencies.

### **Article 26. Implementation of a resolution of the Board of Directors**

1. A resolution of the Board of Directors adopted at a meeting of the Board of Directors shall come into force, as the results of voting on this resolution are announced.
2. A resolution of the Board of Directors adopted by means of absentee ballots shall come into force on the date of sending a copy of the protocol to members of the Board of Directors but not more than six days after the deadline for the submission of ballot-papers.

## **VIII. MAKING DECISIONS BY THE BOARD OF DIRECTORS BY MEANS OF ABSENTEE BALLOTS**

### **Article 27. Making a decision by the Board of Directors by means of absentee ballots**

1. A decision by the Board of Directors can be made by means of absentee ballots in accordance with the procedure specified in this section.

2. A decision on voting by absentee ballots shall be made by the Chairman of the Board of Directors. Voting by absentee ballots cannot be arranged by persons who perform the duties of Chairman of the Board of Directors before his election or in his absence.
3. A resolution on voting by absentee ballots shall contain the following:
  - Questions to be voted on;
  - The voting format;
  - A list of information (materials) to be provided to Board members;
  - The date of providing the information (materials) to Board members;
  - The deadline for the submission of ballot-papers.
4. In accordance with the resolution on holding an absentee vote, the voting can be performed by means of submission a ballot or through a telephone message.

Ballot papers can be sent by mail to the address stated in the resolution on holding an absentee vote, submitted to the Chairman of the Board or the Vice Chairman with the acknowledgement of receipt, or delivered by other means of communication including electronic such as facsimile, telegram and electronic mail. Ballots submitted through the electronic means of communication shall be valid until the receipt of original ballots.

In the event that a resolution on holding an absentee vote envisages voting by phone, a telephone message shall be left with and signed by an authorized person of the Company.

5. Decision on the following questions cannot be made by means of absentee ballots:
  - Approval of the business priorities and the financial plan of the Company;
  - Summoning the annual meeting of shareholders and making decisions required for its summoning and holding;
  - Preliminary approval of the annual report of the Company;
  - Summoning or refusal to summon an emergency general meeting of shareholders;
  - Election and replacement of the Chairman of the Board of Directors;
  - Adding of proposals on reorganization or liquidation of the Company to the agenda of the general meeting of shareholders;
  - Increasing of the authorized capital by means of placement of additional shares within the limits of the number and categories (types) of declared shares.
6. Members of the Board of Directors whose ballot-papers are received before the deadline for the submission of ballot-papers shall be considered to have taken part in the voting by absentee ballots.
7. As voting by absentee ballots ends, a protocol shall be prepared not later than 3 days after the deadline for the submission of ballot-papers. This protocol shall be signed by the Chairman of the Board of Directors, who is responsible for the correctness of the protocol, and by the Secretary of the Board of Directors.

Decisions made by the Board of Directors by means of absentee ballots and the results of voting by absentee ballots shall be reported to all members of the Board of Directors within 3 days after the moment of signing of the

protocol on the results of voting by absentee ballots by means of sending them copies of the protocol.

#### **Article 28. The ballot-paper**

1. The ballot-paper for voting shall contain the following information:
  - Full Company name;
  - The deadline for the submission of ballot-papers;
  - The address that ballot-papers shall be sent to;
  - The text of each question on the voting list and options for voting on it, such as "for," "against," and "abstained;"
  - The notice that the ballot-paper shall be signed by the respective member of the Board of Directors.

### **IX. COMMITTEES OF THE BOARD OF DIRECTORS**

#### **Article 29. The Compensation Committee**

1. A Compensation Committee, consisting of three directors, shall be formed within the Board of Directors. The Compensation Committee shall consist of non-executive members of the Board of Directors. An independent director, appointed by the Board of Directors, shall be the Chairman of the Compensation Committee.
2. The aim of the formation of the Compensation Committee is mainly development, approval and implementation of a policy and program of payment of compensations at the Company, as well as individual remuneration of members of the Board of Directors and high-ranking officers.
3. The responsibilities of the Compensation Committee include the following:
  - Development of principles and criteria for determining remuneration, which is paid to Board members, members of the collective executive body and the sole-member executive body of the Company.
  - Development of recommendations in regard to key provisions of contracts with Board members, members of the collective executive body and the sole-member executive body of the Company.
  - Determining requirements to candidates to the Board of directors, the collective executive body and the sole-member executive body of the Company.
  - Regular evaluation of the performance of the person serving as the sole-member executive body of the Company and members of the collective executive body and preparation recommendations to the Board of Directors on their appointment for the next term.
4. The Compensation Committee shall facilitate the engagement of qualified specialists for managing the Company and the creation of incentives required for their successful work.

During the preparation of the remuneration policy, the Compensation Committee shall take into account the range of duties, the profile and level of the qualifications required, experience, personal and business characteristics of candidates, the level of typical compensations for the locality, and also shall take into account the Company's financial condition.

The Compensation Committee shall constantly monitor the correspondence of the above-mentioned criteria and the remuneration policy with the Company's development strategy and its financial status.

### **Article 30. The Audit and Compliance Committee**

1. An Audit and Compliance Committee, consisting of three directors, shall be formed within the Board of Directors. The Audit and Compliance Committee shall consist of non-executive members of the Board of Directors. The chairman of the Audit and Compliance Committee shall be an independent director, appointed by the Board of Directors.
2. The aim of the formation of the Audit and Compliance Committee is to manage risks, oversee the financial and commercial operations of the Company and provide evaluation of candidates to the Company's auditor.
3. The Audit and Compliance Committee shall evaluate and prepare recommendations for the Board of Directors on the selection of an external auditor; review the auditor's report; interact with the Audit Commission of the Company and external auditors of the Company; evaluate the efficiency of internal audit procedures of the Company and provide recommendation on their improvement; and control the compliance with the Company's financial accounting policy, as well as compliance with the law.
4. The results of consideration of the auditor's report by the Audit and Compliance Committee shall be available at the Annual Meeting of Shareholders.
5. Members of the Audit and Compliance Committee shall have access to any documents and information of the Company on terms of confidentiality.

### **Article 31. Risk management**

1. The Audit and Compliance Committee develops and adopts procedures of internal control, finds, prevents and limits economic, technical and other risks envisaged by paragraph 2 of this Article, as well as possible abuse by officers of the Company.
2. The following risks can emerge at the Company:

#### **Economic risks**

Among general macroeconomic risk factors are:

- Changes in economic policies of the state.
- Changes in legal documents that regulate corporate activities. Changes in foreign trade legislation or taxation.
- Risks connected with state regulation of entrepreneurship, including in the field of the Internet.
- Unfair trade practices.
- Devaluation and inflation risks.

Among risks connected with the Company's activities are:

- Risks connected with a decline in advertising earnings of the Company.
- Risks of a slowdown in the development of the IT industry and the Russian Internet.
- Risks of a decline in the demand for financial and business information.
- Risks of violations on the Company's intellectual property.

- Risks connected with the Company's strategy.
- The appearance of large competitors.

#### **Technical risks**

While using the Company's information systems, there is a threat of the following contingency situations:

- Data corruption,
- Data deletion,
- Unauthorized access to data,
- A threat of information accessibility.

The sources of these threats can be:

- Failures and incorrect hardware functioning:
- Incorrect software functioning.
- Incorrect system software functioning.
- Incorrect application software functioning.
- Errors of personnel who support the web site.
- Misconduct of personnel and/or third persons (unauthorized access to information systems).

#### **Legal risks**

- Interference of state bodies and third persons for the purpose of recognizing the floating of shares as invalid.
- Violation of anti-monopoly and other legislation.

This list of risks is not complete.

3. For the Board of Directors of the Company to receive complete information about violations in performing commercial operations, the Audit and Compliance Committee is recommended to regularly provide reports on violations in the Company's activities, found in a corresponding period, to the Board of Directors to discuss at their meetings. Such reports should contain complete information about the found violations, including about the persons responsible for committing them, as well about the reasons for and conditions of committing them. A report of the Audit and Compliance Committee of the Company could contain recommendations regarding the ways and means for preventing violations in the future.
4. Reports of the Audit and Compliance Committee should include information about analysis of economic and other risks connected with specific deals and operations of the Company and estimation of the adequacy of the management system and risk control.

#### **Article 32. General provisions on committees**

1. The Board of Directors passes to a corresponding Committee issues in its competence for preparing them for discussing at a meeting of the Board of Directors.
2. Meetings of a Committee are called by its Chairperson. Every member of a Committee has the right to request the Chairperson to call a meeting of the Committee stating a reason for this.

3. Committees are entitled to make decisions if two thirds of their members are present at a meeting.
4. Committees make their decisions by a majority of votes of members of a Committee present at a meeting. If the number of votes for and against a decision is equal, the vote of a Chairperson of the Committee is decisive.
5. A Chairperson of a Committee provides for keeping minutes of a Committee's meeting.
6. Chairpersons of Committees of the Board of Directors must meet all the requirements of independence under legislation.
7. Members of Committees of the Board of Directors must have sufficient experience in finance and have an opportunity to perform their duties within a corresponding Committee.
8. Personal qualities of members of Committees of the Board of Directors must not arouse doubt that they will act for the benefit of the Company. This is why it is recommended to elect persons with immaculate reputation to these positions. In this regard, an economic crime, a crime against the state, interests of state service and service in local self-governance bodies, as well as an administrative violation, especially in business, finance, taxes and duties, and on the securities market, committed by such persons, are factors that adversely affect their reputation.

#### **Article 33. Election of a person responsible for compliance with corporate governance standards**

Independent members of the Board of Directors of the Company elect a person among them to be in charge of compliance with corporate governance standards adopted by the Company.

## **X. REVIEWING OF COMPANY BUSINESS BY MEMBERS OF THE BOARD OF DIRECTORS**

#### **Article 34. The procedure for reviewing the Company's business by a member of the Board of Director**

Every new member of the Board of Directors must review the Company's business (induction into the Company). This procedure suggests their review of the Company's history, activities of the Board of Directors and the Company's documents.

#### **Article 35. Introduction of a member of the Board of Directors to officials of the Company**

1. Every new member of the Board of Directors must be introduced to the Company's officers.
2. The sole executive authority must introduce every new member of the Board of Directors to the Company's officials not later than 20 days after the results of voting on electing the Board of Directors have been summed up.

#### **Article 36. Provision of information about the Company (documents, materials) to a member of the Board of Directors**

1. Within ten days after the results of voting on electing the Board of Directors have been summed up, the sole executive authority of the Company must

provide every member of the Board of Directors an with an opportunity to review the following documents and materials:

- The Company's Articles of Association;
  - The Company's internal Provisions;
  - An annual report and financial statements of the Company;
  - Quarterly reports of the Company for the pasr year;
  - Minutes of regular and extraordinaty General Shareholders' Meetings over the pasr year;
  - Minutes of the two latest meetings of the Board of Directors and materials sent to the Board of Directors.
2. In the event the Board of Directors has not executed some decisions by the General Shareholders' Meeting, certified abstracts of minutes of the General Shareholders' Meeting containing the mentioned decisions are to be provided as well.

#### **Article 37. Quitting of the Board of Directors by a member of the Board of the Directors**

1. In the event a member of the Board of Directors quits the Board of Directors, he/she must pass all documents (materials) regarding activities of the Company he/she has to the sole-member executive body.

## **XI. 11. CONFLICT OF INTERESTS BETWEEN A MEMBER OF THE BOARD OF DIRECTORS AND THE COMPANY**

#### **Article 38. Holding of posts in other companies by a member of the Board of Directors**

During the period of their activities at this position, members of the Board of Directors of the Company have no right to incorporate enterprises competing with the Company except for when it is permitted by the majority of disinterested members of the Board of Directors or shareholders who hold the majority of voting shares in the Company.

Members of the Board of Directors of the Company can be members of governing bodies of other enterprises only under consent of the Board of Directors of the Company.

#### **Article 39. Prohibition of actions that may cause a conflict of interests**

Board members must abstain from actions that will cause or may lead to a conflict between their interests and the interests of the Company. In the event of the emergence of a conflict of interests Board members must report it to the Board of Directors.

Board members can become members of the governing bodies of other organizations only with the consent of the Board of Directors.

#### **Article 40. Disclosure of information on deals with members of the Board of Directors as related parties**

1. Members of the Board of Directors are considered as related parties to a deal if they or their spouses, or parents, or children, or brothers, or sisters, or all their affiliated persons:
  - Are a party of such deal or participate in it as a representative or intermediary;
  - Own 20 or more percent of shares in a legal entity, which is a party of the deal or participates in it as a representative or intermediary;
  - Hold positions in governing bodies of a legal entity, which is a party of the deal or participate in it as a representative or intermediary.
2. In the event a member of the Board of Directors has financial interest in the deal, in which the Company is or is intending to be a party, and in the event of another conflict of interests of this person and the Company regarding an existing or planned deal this member of the Board of Directors must notify the Board of Directors, the Audit and Compliance Committee and the Company's Auditor about:
  - Legal entities, in which the member holds 20 or more percent of the voting shares,
  - Legal entities, in governing bodies of which the member holds positions,
  - Executed or planned deals the member knows, in which the member can be recognized as a related party.
3. A member of the Board of Directors, which has notified the Board of Directors about his financial interest or other conflict of interests as described above, can participate neither in discussing nor voting on this deal.
4. A decision on the Company's making a related-party deal is made by the Board of Directors by a majority of votes of the members of the Board of Directors, who are not related parties to the deal.
5. A related-party deal, made with violations of these requirements, can be recognized as invalid.
6. A related party is responsible to the Company to the amount of losses incurred by the party to the Company. In the event several persons are responsible, their responsibility to the Company is joint.
7. A Board member shall notify the Board of an intention to conclude a related-party deal with the securities of the Company or of its subsidiaries (affiliates) and disclose information about such deals.

#### **Article 41. An independent member of the Board of Directors**

1. Independent Directors are members of the Board of Directors of the Company who:
  - Are not were not officers or employees of the Company over the past 3 years;
  - Are not officers of another company, in which any officer of the Company is a member of a Human Resources and Remuneration Committee of the Board of Directors;
  - Are not affiliated persons to an officer of the Company;
  - Are neither affiliated persons of the Company nor affiliated persons of these affiliated persons;

- Are not parties in liabilities to the Company under the conditions of which they can purchase property (receive cash assets) that is worth 10 or more percent of the total annual income of these persons except for receiving remuneration for participating in the activities of the Board of Directors;
- Are not large contractors of the Company (such contractors, the total annual volume of deals of the Company with whom amounts to 10 or more percent of the balance sheet assets of the Company);
- Are not representatives of the state.

After 7 years at the position of a member of the Board of Directors of the Company, an Independent Director cannot be recognized as independent.

2. Information about Independent Directors can be disclosed in an annual report of the Company.

#### **Article 42. Ratio between the executive and independent members of the Board of Directors**

1. In order to ensure the real influence of independent directors on decisions of the Board of Directors and for providing an opportunity to create a wide range of opinions on issues discussed, the Board shall consist of at least three independent directors.