

**The regulation¹
on the Supervisory Board of joint stock company "Uzavtosanoat"
(new edition)**

I. General provisions

1.1. The present Regulation contains the rules governing the organization and activities of the Supervisory Board of JSC "Uzavtosanoat" (hereinafter - the company), the election of its members and their rights and responsibilities.

1.2. The Supervisory Board exercises the General management of Company activity, except for solution of issues referred by the law and the Charter to the competence of the Sole shareholder, coordinates the activities of Executive board, bodies of internal control of the company, collegial bodies created in the Company and, if necessary, attracting experts for development of plans for the development of Companies and for monitoring the achievement of the indicated goals.

1.3. The quantitative composition of the Supervisory Board is determined by decision of the Sole shareholder of independent members.

The composition of the Supervisory Board included at least one independent member (but not less than 15% of that provided by its bylaws the number of members of the Supervisory Board).

II. The competence of the Supervisory Board

2.1. The competence of the Supervisory Board are:

- a) determination of priority activities of the company;
- b) introduction the decision of the Sole shareholder for the issue under subparagraph (a) of paragraph 10.5 of the company Charter;
- c) the organization establishing the market value of property;
- d) approval of the annual business plan of the company, following its approval by the Sole founder. The business plan for the following year must be approved at the meeting of the Supervisory Board not later than 1 December of the current year;
- e) the establishment of the internal audit service and appointment of its employees, as well as quarterly hearing of its reports;
- f) access to any documents concerning activity of the Executive body and obtaining them to carry out the Supervisory Board duties. Documents received can be used by the Supervisory Board and its members for official purposes;
- g) giving recommendations on the amount to be paid to members of the auditing Commission (auditor) of the company of remunerations and compensations;
- h) provision of recommendations on the dividend amount, form and procedure of payment;
- i) use of reserve and other funds of the company;
- j) the opening of representative offices and branches of Company;
- k) the creation of subsidiaries and dependent economic societies;
- l) the conclusion of major transactions related to acquisition and alienation of property, which costs from fifteen to fifty percent of the net assets of the company at the date of adoption of the decision on the execution of such transaction;

¹ This Regulation was approved in Russian. Translation of the text into English is informative. If there are any ambiguities, should be referred to the text of the Regulation in Russian.

- m) transactions with the affiliated persons in the cases stipulated by the legislation;
- n) transactions involving Companies in the commercial and non-profit organizations;
- o) hearing quarterly report of the Executive body on the implementation of the annual business plan.
- p) solution of issues on increase of the Charter Fund (Charter capital) of the company and on amendments and supplements to the Charter related to the increase of the Charter Fund (Charter capital);
- q) the determination of the price of placing (placing on the stock exchange and organized over-the-counter securities market) of shares;
- r) the decision on the issue by the Company of corporate bonds, including convertible into shares;
- s) the decision on issue of derivative securities;
- t) the decision on redemption of corporate bonds;
- v) the decision of other questions carried to competence of the Supervisory Board in accordance with the Charter and applicable law;
- u) determination of the order and occasions of the meetings of the Supervisory Board by ballot, and in the mode of video conferencing;
- w) the establishment of committees (working groups) on relevant issues, including identifying and resolving of conflict situations among the members of the Supervisory Board, the Executive body of the company's personnel and external experts;
- y) the attraction is based on competition of an independent organization for the evaluation of the system of corporate governance in the company.

2.2. The issues referred to competence of the Supervisory Board of the company may not be delegated to the Board of the Company.

III. The election of the Supervisory Board

3.1. Election of members of the Supervisory Board by decision of the Sole shareholder in accordance with the present regulations and the Charter of the company for a period of one year.

3.2. The persons elected as members of the Supervisory Board can be reelected indefinitely. By decision of the Sole shareholder of the powers of any member (or all members) of the Supervisory Board of the company may be terminated early.

3.3. The members of the management Board cannot be elected to the Supervisory Board. Members of the Supervisory Board may not be persons working under the labour agreement (contract) in the community.

3.4. Requirements for candidates for election to the Supervisory Board of the company established by decision of the Sole shareholder;

Candidates for members of the Supervisory Board establishes the qualification requirements, including qualification certificates, corporate Manager at Joint-stock companies with the state share in the authorized capital, issued by the Scientific-educational center of corporate governance.

3.5. Member of the Supervisory Board may be exempted from duty.

IV. Chairman of the Supervisory Board

4.1. Chairman of the Supervisory Board shall be elected by the members of the Supervisory Board from its membership by a majority vote of the total elected members of the Supervisory Board.

4.2. The Supervisory Board is entitled to reelect its Chairman by a majority vote of the total number of members of the Supervisory Board.

4.3. Chairman of the Supervisory Board organizes its work, convenes meetings of the Supervisory Board and preside at them, organize at meetings keeping of minutes.

4.4. In the absence of the Chairman of the Supervisory Board, his functions shall be performed by one of the members of the Supervisory Board.

4.5. Chairman of the Supervisory Board signed on behalf of the company labor contract with the Chairman and Board members.

V. Meeting of the Supervisory Board

5.1. The meeting of the Supervisory Board shall be convened by the Chairman of the Supervisory Board on his own initiative or at the request of a member of the Supervisory Board, the audit Committee and the Board.

5.2. The Supervisory Board meets at least once per quarter.

5.3. The quorum for holding a Supervisory Board meeting should not be less than seventy-five percent of the elected members of the Supervisory Board. In the case where the number of members of the Supervisory Board becomes less than seventy-five percent of the amount provided for in the decision of the Sole shareholder, the company shall be obliged to forward the proposal to the Sole shareholder decision about electing the new composition of the Supervisory Board. The remaining members of the Supervisory Board is entitled to make a decision about the direction of the proposal to the Sole shareholder of this decision and in the event of early termination of powers of the Chairman of the company to appoint acting chief Executive officer.

5.4. Decisions at the meeting of the Supervisory Board are adopted by majority of votes of members present with the exception of cases stipulated by the legislation and the company Charter. When deciding issues at the meeting of the Supervisory Board each Supervisory Board member shall have one vote.

5.5. Transfer of vote by one member of the Supervisory Board of Companies to another member of the Supervisory Board is not allowed.

5.6. When adopting resolutions by the Supervisory Board, in case of equality of votes of the members of the Supervisory Board, the right to vote remains with the Chairman of the Supervisory Board.

5.7. At the meeting of the Supervisory Board shall be kept. The minutes of the meeting of the Supervisory Board shall be made within ten days after the vote. The minutes of the meeting shall specify:

date, time and venue;

the persons present at the meeting;

the agenda of the meeting;

issues put on vote, voting results;

decisions.

The minutes of the meeting of the Supervisory Board shall be signed by the participating in the meeting of the members of the Supervisory Board, who are responsible for the correctness of the Protocol.

5.8. Resolutions of the Supervisory Board may be adopted by absentee voting (by poll) all members of the Supervisory Board unanimously, and in the mode of videoconference.

5.9. The minutes of the meeting of the Supervisory Board of the company passed to the Executive body of the company on the day of its signing. In the case of adoption by the Supervisory Board a decision proposal to the Sole shareholder decision information of the decision is submitted to the Executive body of the company on the day of the meeting of the Supervisory Board.

VI. The rights and obligations of members of the Supervisory Board

6.1. Member of the Supervisory Board has the right:
personally participate in the meeting of the Supervisory Board, to speak on the issues discussed at the meeting issue within the allotted time;
by decision of the Supervisory Board to obtain information on the activities of the company for a certain period of time, about the plans for its development;
approve short-term (annual) and medium term (to 5 years) business plans with a long-term strategy approved by the General meeting of shareholders;
to implement the necessary quantitative and qualitative criteria to monitor achievement of the goals outlined in each of the accepted in the Society development plans;
by decision of the Sole shareholder to the remuneration for the Supervisory Board in accordance with section VIII hereof. Source of remuneration to the Chairman and the members of the Supervisory Board of the company is the company's profit remaining in the company until the distribution of dividends.

6.2. The distribution of functions between the members of the Supervisory Board by the Chairman of the Supervisory Board specifically for each member of the Supervisory Board.

6.3. Member of the Supervisory Board who has an interest in the transaction settlement by the company, must report their interest to the Supervisory Board prior to conclusion of the transaction by written notification detailing the information about the transaction, including information about the parties to the transaction entities, the subject of the transaction, the material terms of the relevant Treaty.

6.4. Member of the Supervisory Board shall be deemed to have an interest in the transaction settlement by the company, if he:

is a party to such transaction;
together with close relatives constituting not less than one third of the Supervisory Board of the company are not less than one-third of the Supervisory Board of a legal entity which is a transaction;
together with close relatives constituting not less than one third of the Supervisory Board, performs the functions of a supervisor or member of the Executive body of the legal entity which is a transaction;

6.5. The Supervisory Board studies the information about the transaction with the affiliate and not later than five working days from the date of receipt by the company of written notice affiliate makes a decision on the deal.

6.6. The decision on approval of transaction with affiliated accepted participating in the meeting of the Supervisory Board meeting or in cases provided by law, the Sole shareholder.

6.7. The Supervisory Board is entitled to take decision on approval of transaction (transactions) with an affiliated entity, which may be effected in future in

the process of conducting its current business activities for the period until the next annual decision of the Sole shareholder.

6.8. The members of the Supervisory Board are not entitled to directly or indirectly receive remuneration for influencing the adoption of certain decisions by the Supervisory Board.

6.9. The members of the Supervisory Board are not entitled to use the capabilities of Companies (property or nonproperty rights, possibilities in the sphere of economic activities, information about activities and plans of the company) for personal enrichment.

6.10. The members of the Supervisory Board when exercising their rights and discharging their duties must act in the public interest.

6.11. The Supervisory Board is accountable to the head of corporate and property relations, the person responsible for monitoring the compliance with corporate legislation in the activities of the Companies (corporate consultant).

6.12. The Supervisory Board ensures coordination of works on development, implementation and regular evaluation of compliance with organizational structure requirements of the legislation.

6.13. The Supervisory Board carries out coordination of works on transition to publication of annual financial statements in accordance with IFRS.

VII. The remuneration of the members of the Supervisory Board

7.1. Each member of the Supervisory Board is paid a quarterly remuneration in the first, second and third quarters, when reaching the targets of the net profit indicated in the Business plan of the company for the quarter. The remuneration of the members of the Supervisory Board at the end of the 4th quarter will be paid upon achievement of the targets for net profit indicated in the Business plan of the company for the relevant financial year.

7.2. The remuneration of the members of the Supervisory Board at the end of each quarter, linked to the indicators of the independent evaluation of the corporate governance system. The remuneration shall be paid subject to the evaluation of the independent evaluation of corporate management system of "satisfactory".

7.3. Remuneration paid to the Supervisory Board member worked in the reporting quarter for at least 2 months, at the rate of 50 MW for each respective quarter.

VIII. The liability of the members of the Supervisory Board

8.1. The members of the Supervisory Board are responsible to the Society in accordance with the law. Thus are exempt from liability the members of the Supervisory Board, did not participate in the vote or voted against the decision that entailed losses to the company.

8.2. The company or the Sole shareholder has the right to address in court with the claim to the member of the Supervisory Board for damages caused to the Society.